

**Board of Selectman
Budget Advisory Committee
Town of Temple, NH
*Meeting Minutes***

6:00 PM, 5 October 2017, Town Hall Annex

Attendees: Gail Cromwell (BoS), Ken Caisse (BoS), Bill Ezell (BoS), Gary Scholl (BAC), John Kieley (BAC), Christine Robidoux (BAC), Ken Sullivan (BAC), Steve Concordia (BAC)

Also in attendance: Jen Reddington & Frank Biron from Melanson Heath, Auditors

Meeting called to order at 6:00 PM

A general discussion of the order of business took place to start the meeting. The goal of the meeting is to share an improved understanding of the Town's Finances and review the Audit Report for the year ending December 31, 2016.

G. Scholl requested that the Audit Report be posted on the town website.

Questions:

Total Assets (p. 10) is showing a different number than our official Town Report. J. Reddington noted that the Capital Assets figure they use is the purchase value. The town report may be using the assessed value. G. Cromwell will research. G. Scholl suggested using one or the other on both reports for consistency. Auditors use the same list every year, with updates noted if buildings are upgraded. Auditors will provide BoS with a copy of the list they use.

The Unassigned Fund Balance increased by \$18,000 over last year. The BAC asked if the Town's Fund Balance is high compared to other towns. Auditors recommend carrying a fund balance that reflects the cash flow. While some of the Fund Balance is used to reduce the tax rate, deferred inflows and receivables should be considered (per DRA).

The expected revenue was over by \$41,648, the town beat the budget by \$114,964. Close to \$130,000 was used from the fund balance to offset the tax rate.

Should there be a contingency fund for welfare. We typically don't use about \$10,000 of the \$15,000 budgeted. Can we put unused amounts at the end of the year into a Welfare fund instead of into the general fund, to be used specifically for welfare the following year if needed? An expendable trust?

The liability around accrual of sick and vacation days is handled by the Auditors in the report. They do not recommend creating a new line item unless we know someone is going to retire. Accrual can then be included in the salary for that position.

Auditor recommendations (from Ltr Apr 13, 2017/Melanson Heath):

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- All invoices are being signed now.
- The treasurer is writing checks for the Rec department and tracking.
- The BoS is seeking an agreement with Citizens Bank.

Discussion of whether or not a secondary audit was needed with the change of staff.
Agreement that it was not needed at this time.

Auditors generally come in February or March, depending on when the books officially close for the prior year. They spend about 3 days in house, then follow-up as needed.

Next BAC Meeting Scheduled for Tuesday, October 24th at 11:30 AM.

Meeting was adjourned at 7:07 PM.

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**TOWN OF TEMPLE
BUDGET ADVISORY COMMITTEE
2018 BUDGET DEVELOPMENT SCHEDULE**

Date	Time	Subject
October 24	11:30	Highway and Cemetery (Scholl)
November 7	11:00	Town Clerk, Tax Collector and Treasurer (Cromwell) Moderator and Checklist Supervisors (Scholl) Highway...second meeting if needed (Scholl)
November 15	6:00	Fire Department (Concordia) Animal Control (Robidoux) Library (Robidoux) External vendors...info from Assistant to BOS (Cromwell)
December 5	11:30	Reports on BAC member assignments*
December 19	11:30	Best information on Police, Recycling and Ambulance Review of overall budget
January	Meetings to finalize budget	
February	Budget and Warrant Articles Hearing	

BAC Member Assignments:

Scholl: Welfare, Ambulance, Recreation
Concordia: Planning Board, Patriotic Purposes, Fire Dept
Robidoux: Town Hall, Recycling, Animal Control, Library
Sullivan: Energy (diesel, gas, electricity, propane and heating oil), TEEC
Kieley: ZBA and ConComm
Cromwell: Police

April 13, 2017

Board of Selectmen
Town of Temple
P.O. Box 191
Temple, New Hampshire 03084

Additional Offices:

Andover, MA
Greenfield, MA
Manchester, NH
Ellsworth, ME

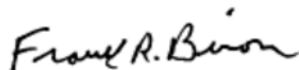
Dear Board of Selectmen:

During the course of our 2016 audit we identified certain areas where improvements and/or efficiencies could be made that were not included in a formal management letter. The following summarizes these issues very briefly:

- During our testing of disbursements, we noted that 7 out of 25 invoices selected were not signed documenting approval. We recommend all invoices be signed by a knowledgeable individual.
- During our review of the recreation special revenue fund, we noted that there was no formal list of outstanding checks. We recommend that a list of issued, cleared, and outstanding checks be maintained for the recreation checking account.
- During our review of cash, we noted that an updated collateralization agreement was not available. The Town should obtain and retain an updated collateralization agreement annually to support their collateralized cash balance.

We encourage the Town implement these recommendations in order to improve controls and efficiencies. I will be available to discuss these with you in more detail at your convenience.

Sincerely,



Frank R. Biron, CPA
President