

Town of Milton
Board of Selectmen Special Meeting
Tuesday, March 18, 2014
Milton Town Hall
Meeting Minutes

In Attendance: Chairman Tom F. Gray, Selectman Robert L. Bridges, Selectman James Michael Beaulieu, Town Administrator Elizabeth Dionne.

Public in attendance: Tammy Webb.

Chairman Gray called the meeting to order at 5:33pm.

Tammy Webb, from the auditing firm of Vachon & Clukay explained the 2012 audit which was completed in December 2013.

- The fund balance is low as of 12/31/12 at 5.4% of the general fund. The MD&A (Management's Discussion & Analysis) from the Town mentions they will "strive" to increase that percentage up to the DRA's recommendation of 8% - 15% of the general fund. The fund balance is used for emergencies when cash is needed for operations such as a weather related emergency or some sort of a catastrophe.
- A GASB statement (government accounting standards board) should have been implemented in 2009 pertaining to OPEB liability (other post employment benefits) of the Town. OPEB obligation pertains to health and insurance benefits for retirees and current employees who will retire from the Town. It's recommended an actuarial firm be hired to conduct an actuarial study every three years to estimate any financial liability against the Town regarding the OPEB. T. Webb will provide information on an actuarial firm. The approximate cost should be \$1,400.00.
- The Tri-Centennial Fund is on the books with a balance of \$338.00. BOS consensus to close it out as it's no longer used. E. Dionne asked if this had to go to Town Meeting for approval or Selectmen approval. T. Webb advised it should simply be a financial transfer by the Treasurer.
- RSA 31:95-b allows the Town to place grants and FEMA (or any type of emergency) reimbursements to be added to the budget instead of putting it into the general fund. By utilizing this RSA for those funds, this will help with the budget funds.
- At the 2010 Town Meeting, Article 22, 23, 24 were passed which allowed for: improvements at the Transfer Station; a newly named Solid Waste and Recycling Revolving fund; dissolve the previous fund titled Milton Transfer Station Special Revenue Fund and place the balance of this previous fund into the general fund to reduce taxes. The funds which are \$25,833.29 were never placed into the general fund and are still on the books as a "due to". These funds must be transferred into the general fund to comply with the vote of the 2010 Town Meeting.
- Management letter comments:
 - The Police Department needs department head approval on all payroll time slips. E. Dionne advised this has been put into place.
 - The Recreation Department internal controls over cash receipts need to be improved with more checks and balances for each program and more documentation. Timeliness of deposits needs to be improved. B. Bridges advised a Recreation Commission meeting has been scheduled for March 25, 2014 to discuss several financial procedures and ways to improve to come into compliance with Town policies and the Auditors recommendations. The Recreation Commission will attend along with the Recreation Director, Town Administrator, Town Treasurer and Town Bookkeeper.
 - Interfund balances need to be corrected involving the Conservation Commission, the Ambulance fund, and the Solid Waste and Recycling fund (mentioned above). This involves past financial errors in which revenues were not deposited into the correct accounts such as the Conservation Commission and Ambulance Fund. Instead they were deposited into the general fund. That has since been corrected and the Board advised that in 2013 they had begun the reimbursement process with the Conservation Commission. Due to the large amount of money owed to these funds, the entire amount cannot be transferred at one time.

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Installments are being made to one fund at a time. The current remaining balanced owed to the Conservation Commission is \$50,000.00. At some point in the future the Ambulance fund will begin receiving reimbursements.

- Discussion ensued on lack of revenues from tax payments not being made which showed up in the audit as \$997,616.00 unpaid as of 12/31/12, with no easy solution as to how to get tax payers to pay their taxes. T. Gray explained they've started a procedure to assist with that. The Board reaches out via letter, to the property owners who are on the verge of having their properties tax-deeded. These folks are invited to attend a nonpublic session in which a payment plan is agreed upon and put into place. The payment plan is tailored to their financial situation, eliminates the immediate threat of tax-deeding, and gets them caught up with their taxes. The plan mandates that they must keep their future tax bills paid when received; make a monthly payment to the Tax Collector, and check back in six months to see how it's going. So far only one taxpayer has scheduled a second meeting to adjust his monthly payment amount. This system has worked well for all involved.

A copy of the 2012 audit is available in the Town Administrator's office for viewing.

B. Bridges moved at 7:30pm to adjourn. Motion seconded by M. Beaulieu. Motion carried.

Respectfully submitted,
E. Dionne, Town Administrator

Chairman Tom F. Gray

Robert L. Bridges

James Michael Beaulieu