

# WASHINGTON FINANCE COMMITTEE MINUTES

22 January 2018

In Attendance: Kent Lew, Dick Spencer, and David Weissbrod  
Meeting was called to order at 7:17 pm.

## OLD BUSINESS

1. Finance committee meeting minutes from November 13, 2017 were approved.

## NEW BUSINESS

### 1. FY18 Q2 Expenditures Review.

We reviewed overall expenditures through approximately 50% of the FY, and discussed few specific line items that were not running at expected rates. Overall, the budget is in good shape.

- a. **Tax Collector Salary.** Expended only 28% of allocated budget. It appears that most expenditures have been applied to Asst Tax Collector Salary, already expended 94% of allocated budget. Expenditures will be charged to Tax Collector Salary budget moving forward, remedying most of the problem.
- b. **Tax Collector Expenses.** Already expended 146% of FY allocated budget. Many reasons: new laptop needed, as well as new employee bond fees, payoff of previous Deputy Collector, plus set-up fees for new Deputy Collector, and \$100 for pre-posted envelopes. We will review this line item when preparing FY19 budget, for possible increase.
- c. **(Vadar) Accounting Software.** Noticing \$410 remaining appropriation, discovered it was due to 2-year contract, rather than single year.
- d. **Town Office Equipment.** Expended 72% of allocated budget. Primarily due to purchase of new computer and printer. Should we be looking at our aging computers and replacing them per an expectancy plan or just wait to replace them when they die?
- e. **Police Dept Pumpkin Walk.** Already expended 325% of allocated budget. We believe the increase is due to a security scare and call for extra security. Or is it the increase of the cost of pumpkins! We will look into this.
- f. **Southern Berkshire Waste.** Already expended 107% of allocated budget. Have dues been increased? No reason communicated to Finance Comm. Need to look into cause and possibly increase budget accordingly next year.
- g. **Chapter 32B Medical/Life/Dental Town Share.** Expended 63% of allocated budget. Need to check timing of payments to see if that's the reason it's running so high, or is it a matter of higher than expected rates.
- h. **Highway Wages and Expenses Summary.** Presently running below allocated budget. We will continue to monitor over the winter.

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## **2. Unemployment Compensation Funding Target.**

Kent distributed latest state requirements and rates. This accumulated total for this account is now \$25,649. We can carry over this amount year-after-year, and not have to appropriate any more annually, until we have to pay unemployment.

The maximum benefit credit per state guidelines is \$23,070, ( $\$769 * 30$  weeks, or 36% of total wages in base period, whichever is less). We have budgeted more than enough for one employee.

## **3. FY17 Tax Accounts Receivable (AR) Reconciliation.**

(Dan Parnell, town accountant, joined us for discussion of this topic.)

Dan said he and Gina have worked hard to reconcile last year's tax books to his ledger. Because of the chaos in the Tax Collector office last year, there are remaining discrepancies that they don't think they can resolve. Part of the problem may be that Sue seems to have tracked and recorded some receivables outside of the CSC Tax Software, and if we can't discover these, we can't get the software data to reflect the accounting ledger. There may also still be errors in last year's entries that can't be uncovered without completely reconstructing the year's collections. Dan and Gina think it would cost considerably more for an audit of the tax books (~\$5-7,000) than it would be worth in potentially resolved receivables (~\$2-3,000).

We need to get our tax collection data completely aligned with our general ledger before we end up moving to new tax collection software in the near future, so as not to perpetuate these discrepancies. Dan spoke to our DOR representative for advice, and it was suggested that Dan move the discrepancy amounts to a separate Variations account, temporarily. This keeps the amounts on the books in case unaccounted receivables still come forth in the next year. After we determine that these are receivables that have to be abandoned, we will consider writing them off the books. Our DOR rep said that this can be done internally with decision of Finance Comm and SelectBoard, and doesn't need DOR approval.

Kent will work with Dan and Gina to see what additional discrepancies we can resolve before resorting to these adjustments. We will include budgeting for a town audit in the FY19 budget, (~\$18,000). We may want to give the new Tax Collector systems a year to stabilize before auditing our procedures.

## **4. Any New Business.**

Dick discussed distributing next year's budget request forms over the coming week, with a required return date of March 5th. This would allow us the opportunity to review them at our March 12 meeting.

Our next meeting is planned for February 12, 2018.

Meeting adjourned at 8:45PM.

Respectfully,

David Weissbrod, Clerk