

**MINUTES**  
**BRISTOL BOARD OF SELECTMEN WORK SESSION**  
**September 9, 2010**

**PRESENT:** Chairman Rick Alpers; Selectmen Jeff Shackett, Phil Dion, Joe Denning, Town Administrator Michael Capone; Selectman Don Milbrand arrived later in the meeting.

Auditors: Matt Angell and Frank Biron, Melanson & Heath CPA

At 6:00 PM, Chairman Alpers called the meeting to order.

**Minutes Approval**

Selectman Denning motioned to approve the minutes from the August 26, 2010 Board of Selectmen's Meeting, 2<sup>nd</sup> by Selectman Dion, motion passed 4-0.

**Adoption of Revised Welfare Guidelines**

Chairman Alpers reviewed a memo from Executive Assistant Lacasse regarding an update to the welfare guidelines which outlines how the Town will apply general assistance granted to a tenant, towards a landlord's past due tax, water or sewer accounts. A letter will be sent notifying the landlord of this procedure. The Board authorized adopting the changes as motioned by Selectman Shackett, 2<sup>nd</sup> by Selectman Dion. Motion passed in a vote of 4-0.

**Audit and Management Letter Review- Melanson and Heath CPA's**

Frank Biron and Matt Angell of Melanson and Heath CPA's reviewed the 2009 audit materials. Frank Biron discussed highlights of the report with the Board. The Town is deficient in the area of fixed asset records. Mr. Biron recommended establishing a plan with a \$5,000 or \$10,000 minimum threshold for assets with a depreciation schedule. The Water/ Wastewater Departments have a plan in place for their assets. The auditing firm would be willing to oversee implementation of a plan should the Town have someone available to do the work.

Mr. Biron reviewed the balance sheet of governmental funds. The Town's financial condition is not as good as it was last year with a cash balance of \$1,692,000 which is down \$400,000 from the prior year.

Selectman Denning inquired as to how money collected for the county and school tax is recorded on the Town's books. Matt Angell explained that anything received must be recorded on the books whether it is received as revenues or not. Any money received or collected by the Town must show as a receivable and later recorded as a payable

Mr. Biron indicated that with the Town's current tight financial status, we may continue to operate that way but they recommend building up the general fund balance. Selectman Milbrand recalled the Board adopting a fund balance policy in 2009 developed with Jen Correia.

Expenditure overages were reviewed. During the course of the audit, it was noted that \$53,508 of payables that were paid out in 2010 should have been charged against 2009.

The Board discussed the tax rate setting from last year. Due to an error in the MS-4 where \$163,000 was reported twice, the tax rate was set too low for taxes.

Water and Wastewater accounts are in good financial order with more revenue received than budgeted.

Matt Angell reviewed the management letter with the Board. Overall there were improvements with the general ledger, and the Town's development of fiscal policies helped tremendously. Mr. Angell's concerns were that the Water/Wastewater Department has only one employee to oversee accounts payable and receivable which leaves room for error. He recommended that the Bookkeeper begin overseeing the Town Clerk/ Tax Collector and receipts should be reported directly to the bookkeeper. Department's should be reporting revenues to Bookkeeper and Treasurer at the same time.

Other items discussed from the management letter included frequent change of passwords, a log to track checks and cross referencing the ledger with adjusted journal entries. Overall the audit found no fraudulent activity.

With no further business before the Board, at 6:42PM Selectmen Denning motioned to enter into non-public session, 2<sup>nd</sup> by Selectman Milbrand, motion passed 5-0.

Respectfully submitted,

Kelly Lacasse  
Executive Assistant

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Rick Alpers, Chairman

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Jeff Shackett, Vice-Chairman

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Joe Denning, Selectman

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Don Milbrand, Selectman

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Phil Dion, Selectman