

Treasurer's Report

October 12, 2022 Board of Selectman Meeting

June 2022 Financials (unaudited)

- Audit work on the town side is complete and I believe that we should be getting audit reports issued much earlier than normal.
- Auditors have uncovered ~\$30k of payments made by the school in June that were FY23 (prepayments). These will be moved to the correct fiscal year, thereby increasing the surplus for the school (resulting underspend will be in the range of \$60k).
- I anticipate two separate findings will be made on the school side, one related to these prepayments and the associated accounting policies and the second related to Accufund being out of balance. I have not seen drafts of these as yet.

July & August 2022 Financials

- August closing is complete for the General Fund. There was little activity in the Declared Emergency Fund through August, so those statements will be included with the Combined BS and PL for all funds in the September reporting package.
- Tax Collections totaled \$2.46M for July and August, or 55% of the full year budget. Many thanks to the hard work of the Windham Revenue Collection department for their hard work in collecting on back taxes even during the busiest months of the year – back taxes collected through August totaled \$24k, within ~\$6k of the full year budget. Fees and interest on back taxes are within ~\$5k of the full year budget.
- General Revenues totaled \$18.3k, very close to full year budget, largely due to the sale of land on Parish Hill Road. Departmental Revenues totaled \$12.6, with Building Fees already exceeding the full year budget. State Revenues are very low so far, largely just the Municipal Transition Grant being received so far (this is the grant to supplement the limit on motor vehicle mill rates). I expect our first ECS payment at the end of October.
- General Government expenditures totaled \$295k or 16% of the full year budget. FY23 CNR contributions were made in September, so are not included in the above, and debt service was minimal as well.
- YTD figures through August reflect one payment to RD#11 of \$175k (the full year budget is paid in 11 installments, with no payment due in July) and \$152k of expense for Scotland Elementary School. As noted above, there is an additional \$30k of SES expense which will be moved into FY23 with an adjustment from the auditors.
- General Fund cash at August 31 totaled \$2.65k of which \$1.5M was held in the STIF investment account. There was another \$500k held in a STIF account for the investment and other funds (including ARPA and CNR funds). Between the two STIF accounts, the Town earned interest totaling \$1,290.78 in July and \$2,394.13 in August.
- **CAPITAL:** FY23 spend includes \$15k for the Library Roof (CNR), \$40k for the Town Garage project from TAR (construction and concrete work), \$5k for Town Hall from CNR. The first payment of FY23 TAR revenue from the state was also received.
- **DECLARED EMERGENCY FUND:** We received another \$85k in revenues in early August and these funds will be transferred to the STIF account at the end of Q1. The final payment of ARPA monies were received in early October.

Other Key Activities

- State Labor Department earnings report (UC-5R) for quarter ended June 30 was finally filed, once the state resolved issues with their new system.
- Quarterly payroll returns for the quarter ended September 30 are complete, although we are still waiting for confirmation of the UC-5R.
- Confirmed with the state that no DE-17 filing was needed for FY22 (would have been due within 90 days of year end) since all of our OPM administered grants are on the exemption list.
- UCOA filing for FY21 was completed in advance of the September 30 deadline.
- We've heard from the auditor responsible for the Workers Comp audit and expect to finalize the files needed in the next week or so.
- Completed LoCIP grant application for salt shed.

Upcoming Activities

- Once the audit report is complete, we'll have a number of annual filings that will need to be done: Continuing Disclosure report, UCOA filing, etc.
- Need to finish the update to the Financial Processes document, had hoped for this to be complete before the audit, but now will aim for end of year (before budgeting begins in earnest). The auditors have made suggestions for a couple of things they'd like us to include that would further strengthen our "segregation of duties" internal controls.
- Final correcting entry to clean-up BOE balance sheet in Accufund – this may become a higher priority given the current out of balance situation between AF and Quickbooks
- Attempts to resolve ongoing "account ownership" issues with Intuit have been unsuccessful, and introduces risk in the payroll process. Will be exploring other options for payroll processing as a result.