

LUMBERLAND TOWN BOARD
SPECIAL AUDIT MEETING MINUTES
JANUARY 17, 2018

The Town Board of the Town of Lumberland held a Special Meeting on Wednesday, January 17, 2018, at 6:30 p.m., at the Municipal Building in Glen Spey, N.Y. for the purpose of conducting annual 2017 Departmental Book Audits. Supervisor Jenny Mellan opened the meeting at 6:30 p.m.

Those members present were:

Supervisor Jenny Mellan
Councilman/Deputy Supervisor Leigh Sherman
Councilwoman Zoriana Gingold

Also present were Town Clerk/Tax Collector Laurie Terry, Virginia Horn, Museum Director/Cultural Series Director Frank Schwarz, Justice Court Clerk Nancy Giancontieri and Buildings Dept. Clerk & Planning & Zoning Board Clerk Christy Flynn.

The Board members met with Cultural Series Director Frank Schwarz to audit his 2017 departmental books. Mr. Schwarz reported they received a grant of \$1,292 this year, down from previous years. Mr. Schwarz reported that the grant has become more difficult to apply for. Application must be done online, within an 18 day window, over the Thanksgiving holiday. The Cultural Series hosted two concerts this year. The first program's attendance brought in \$315, the second program, \$420. They received a donation from the Kadampa Meditation Center of \$250 which went directly to the General Fund. Councilman Sherman questioned the expenditures for the program. Mr. Schwarz replied that a report was recently produced for the board, that the expenditures were part of the budget and that all data is submitted with the grant application. Supervisor Mellan questioned if the Cultural Series Account maintains a zero balance the rest of the year? Schwarz reported yes. Schwarz presented the Cultural Series bank statements and ledgers. The Board members reviewed the records. The September 2017 statement was not presented. A deposit slip of \$420 was included, Supervisor Mellan confirmed that a deposit of \$420 was made to the General Fund in September and the October balance started at zero. Mr. Schwarz would request a copy of the statement from Jeffbank on Thursday, give to the clerk who would place in the ledger. Actual checks were not present because last check of book was used and new one had not been started. Supervisor Mellan asked how the book was set up to which Mr. Schwarz replied Cultural Series first then Museum.

The Board members then began a review of the Museum's 2017 departmental books. Mr. Schwartz reported that revenue was down this year. Revenue varies from year to year because the department is not allowed to solicit funds in any way. There are items for sale on website and any donations go directly to the General Fund.

The Board members met with the Town Clerk, Virginia Horn, to audit her 2017 departmental books. Ms. Horn explained that she has two accounts, one is exclusively for her Licensing Account for hunting/fishing licenses and the General Account which is for all other revenues.

The DEC withdraws any funds due to them on their own. Ms. Horn's monthly report shows money due to the DEC. Ms. Horn reported that any fees charged to a taxpayer paying by credit card does not show up in our account. There was a one outstanding check for \$17 carried on the reconciliation because a dog license was issued in error to someone who did not live in town. The \$17 check was not cashed until December so it showed on statement as an outstanding check. The Board members reviewed the records.

The General account was charged \$199 by the E Check service the Town used for tax collection. The contract had cancelled in December 2017. The service claimed that this charge was spelled out in our contract. It was not. The service was cancelled because it sometimes took up to two weeks to settle the checks. The bank then charged us a \$35 overdraft fee. The charge was reversed in January but in order to avoid further fees the Town wrote a check for \$234 to cover overdraft. The Town was reimbursed in January. To avoid delayed notification of problems we now have access to online banking for the Town Clerk accounts. Ms. Horn reported that her monthly reports are on file. The balance shown on the December statement will show a check written to the Town on the January statement.. EZ Pass sales were up this year. Cemetery plot sales were down. Ms. Horn stated that she keeps \$2.00 balance in her General Fund and \$1.49 in the Licensing Account. When tax collection stops, the \$200 in petty cash will be returned to the bookkeeper. The Board members reviewed the records.

The Board members met with the Court Clerk, Nancy Giancontieri, to audit her 2017 departmental books. Ms. Giancontieri presented the department bank statements, check register, deposits and records for the Justice Court. Ms. Giancontieri reported that she usually makes deposits on Wednesdays. The Court Office is setting up a system to accept funds over the phone. Judge McKerrell and Judge King have separate accounts. Ms. Giancontieri writes a check to the Supervisor on a monthly basis. The Town is then billed by the Justice System. The Board members reviewed the records. A money order payment was considered stale dated by the bank even though the money order did not state that there was no expiration date. The ticket was not cleared.

The Board members met with the Buildings Department Clerk, Laurie Terry to audit her 2017 departmental books. Ms. Terry reported she had no issues during the year. Every month a reconciliation is recorded on the bank statement showing one outstanding check which is the check paid to the Town for all funds received during the month.

The Board members met with the Zoning Board of Appeals Clerk, Laurie Terry, to audit her 2017 departmental books Ms. Terry stated that the bank accounts are reconciled monthly. There are currently no open projects. The account balance of \$1,604.90 belongs to two recently settled projects. When the billing is received from the Town Attorney, the balance will be \$4.90. The Board members reviewed the records.

The Board members met with the Planning Board Clerk, Laurie Terry, to audit her 2017 departmental books. Terry reported she had no problems with her account, noting this is an escrow account which still has funds in it because of open projects. Ms. Terry spoke of a project that had outstanding monies due the Town. All attempts to collect funds have failed. While the escrow account is showing a \$15 credit balance for the project, she has not been able to reimburse the Town for attorney expenses of \$685. Supervisor Mellan stated that the Town Attorney will have to advise how to document this activity. The Board members reviewed the records.

Councilwoman Gingold made a motion to adjourn at 8:08 p.m., seconded by Councilman Sherman, all in favor, so carried.

Respectfully Submitted,

Laurie Terry, Town Clerk