

TOWN OF DERBY, VERMONT
SELECT BOARD MEETING
Minutes
September 21, 2020

Present: Brian Smith, Steve Gendreau, Grant Spates, Karen Chitambar, Beula Shattuck.

Others: Ruth Marquette, Patty Beckwith, Lilla Bennett, Paul Prue, Maureen Fountain, Joe Profera, Bob Kelley in person. Faye Morin, Ed Barber by phone.

MEETING CALLED TO ORDER - 6:00 P.M.

Warrants #19A in the amount of \$23,180.22 and #19B in the amount of \$119,836.76 were signed.

APPROVE MINUTES:

Beula moved to approve the minutes of August 24, 2020, with Steve seconding. Unanimous.

PUBLIC COMMENTS: None.

NEW BUSINESS:

Appropriations: Area of Aging – Patty Beckwith; NKHS – Ruth Marquette; RCT – Lilla Bennett; Umbrella – Amanda Hussey – Lilla spoke for the group, Amanda was not present. They would like the Selectboard to wave the signature requirement for appropriations this year due to COVID provided they didn't ask for more than last year. The Board is working on a policy to address the need for signatures if the request is for level funding. The Board agreed to have this part of their new policy.

Maureen Fountain – Darling Hill Road Speeding – Maureen lives along the 2 mile section of Darling Hill Rd which has a 50 mph speed limit and would like it lowered to 35 mph. She was in 2 accidents this summer and both were caused by speeders. The Board wasn't sure why this 2 mile section is 50 mph when the rest of the road is 35 mph. The Board will look into what is required to change the ordinance to make this section 35 mph like the rest of the road. The only other Town roads with a 50 mph speed limit are Beebe Rd from Route 5 – Interstate Bridge and Holland Rd.

Dailey Memorial Library – Yard Sale – The Dailey Memorial Library would like to have a yard sale on the Town Green in front of the Jr. High on October 3rd. This will be similar to the one they had earlier in the year. Karen moved to grant the request, with Brian seconding. Unanimous.

Scott Warthin – Letter Hinman Settler Road – Most of the concerns in Mr. Warthin's letter have either been addressed or on the Road Crew's schedule to be done. The one exception is the request for two "Cattle Crossing" signs which the Board denied.

Errors & Omissions - Listers – Parcel ID #TRD60003D8T, Owner: John Queenin. The Listers are requesting the value be changed from \$119,000 to \$83,700 due to an error of \$35,300 in yard items incorrectly being added to the property by the reappraisal firm. Brian moved to approve the Listers' request to lower the value of the property owned by John Queenin, PID #TRD60003D8T to \$83,700, with Beula seconding. Unanimous

Town Policy Review – The board approved the Accounting, Auditing, and Financial Reporting Policy and Cash Receipts, Petty Cash, and Returned Check Policy.

Beula moved to approve the following Accounting, Auditing, and Financial Reporting Policy as amended, with Karen seconding. Unanimous.

PURPOSE. The purpose of this Accounting, Auditing and Financial Reporting Policy is to establish and maintain high standards for accounting practices in the Town of Derby, thereby enabling voters, the Selectboard, and the treasurer to make sound decisions in preparing and adopting the Town budget and managing Town finances.

ACCOUNTING. The accounting practices of the Town will conform to Generally Accepted Accounting Principles for local governments as established by the Governmental Accounting Standards Board. The treasurer will establish and maintain a system of fund accounting and shall measure financial position and results of operations using the modified accrual basis of accounting for governmental funds and the accrual basis of accounting for proprietary and fiduciary funds.

AUDITING. Annually, the Selectboard will cause the Town financial statements to be audited by a qualified, properly licensed independent accounting firm. ~~This audit will be conducted in addition to any audit performed by the Town's elected auditors under 24 V.S.A. §§ 1681 et seq.~~

MONTHLY AND ANNUAL FINANCIAL REPORTING. The treasurer will prepare monthly financial reports for the Selectboard's management purposes. These will consist of:

- Budget Report showing revenues collected and appropriations expended for the previous month with the variance from the budget amounts for each line item;
- Statement of Revenue, Expenditures, and Changes in Fund Balance showing revenues and expenditures and the difference between the two, the beginning fund balance for the period, the ending fund balance; ~~and~~
- Balance Sheet showing Town assets less liabilities and the fund balance; and
- General Journal Report showing entries done for the month.

The treasurer will also prepare an annual financial report. This report should include financial statements for each of the funds of the Town, as well as appropriate additional disclosures as necessary for the complete understanding of the financial statements presented. In addition, the report should include a narrative discussion to explain how the Town's current financial position and results of financial activities compare with those of the prior year and with budgeted amounts. This report, ~~together with the most recent independent auditor's report and any report prepared by the Town's elected auditors under 24 V.S.A. § 1682,~~ will be reproduced in the Town's annual report each year.

The foregoing Policy is hereby adopted by the Selectboard and the treasurer of the Town of Derby, Vermont, this 21st day of September, 2020 and is effective as of this date until amended or repealed.

Brian moved to approve the following Cash Receipts, Petty Cash, and Returned Check Policy as amended, with Steve seconding. Unanimous.

CASH RECEIPTS, PETTY CASH, AND RETURNED CHECK POLICY TOWN OF DERBY, VERMONT

PURPOSE. The purpose of this Cash Receipts Policy is to establish proper management practices over cash, checks, and other receipts in order to instill public confidence in Town operations and to provide accurate, reliable, and timely information upon which financial decisions can be made.

AUTHORIZED PERSONNEL. For internal control purposes, only the following officers, employees, and volunteers are authorized to receive funds on behalf of the Town of Derby: Treasurer, Assistant Treasurer, Town Clerk, Assistant Town Clerk, Collector of

Delinquent Taxes, Selectboard members, Cemetery Commissioners, Trustees of Public Funds, Zoning Administrator.

PROPER PAYEE. All checks, money orders, and credit card payments, regardless of function, must be made payable to the Town of Derby. No instruments may be made payable to a Town officer, employee, volunteer, department, committee, board, or group.

RECEIPTS. Persons authorized to receive funds on behalf of the Town must issue a fully completed collection receipt for any cash received. The original completed receipt must be issued to the person from whom the funds are received. The second copy must be delivered to the treasurer with the funds. ~~The third copy must be retained by the person authorized to receive funds for audit purposes, and it shall be countersigned by the treasurer when funds are deposited with the treasurer.~~

SAFEGUARDING FUNDS. Safeguarding funds prior to deposit with the treasurer is the responsibility of authorized personnel receiving the funds. All coins, currency, checks, credit card information, and money orders must be retained in a secure place until deposited with the treasurer in accordance with the section below.

PREPARING AND DEPOSITING FUNDS. Funds collected by authorized persons must be deposited with the treasurer no later than the following business day.

Each person depositing funds with the treasurer must submit a spreadsheet or adding machine tape of the checks in the same sequential order and totaled with each deposit. The treasurer will count and verify the amount deposited in the presence of the person depositing the funds. All deposits made to the treasurer will be issued a receipt or other acknowledgement. The treasurer will take the deposits to the bank daily and retain copies of all deposit statements issued by the bank. Each department will receive from the treasurer a monthly list of deposits that have been verified through the bank statement. Any discrepancies shall be reported to the treasurer.

PETTY CASH. No officer, employee, volunteer, department, committee, board, or group may establish a petty cash system without consent from the Selectboard and the treasurer. The Selectboard will appoint an officer, employee, or volunteer to be custodian for each petty cash account. A base petty cash amount must be determined by the treasurer. A lockable cash box will be used to store petty cash and must be locked at all times. The key will be kept in a secure location. Only the petty cash custodian and the treasurer will have access to the locked petty cash box and key.

A pre-numbered, two-part receipt will be issued by the custodian or the treasurer for each payment made out of petty cash. This receipt is to be signed by the custodian or treasurer and the officer, employee, or volunteer receiving the petty cash. Payments out of petty cash will be made only when a valid receipt is presented. Should prepayments out of petty cash be necessary, a memo explaining the purpose of the prepayment must be signed by the custodian or treasurer and the officer, employee, or volunteer and placed in the petty cash box or drawer.

At all times the total of receipts added to the cash remaining in the petty cash box must equal the predetermined petty cash amount. Under no circumstance will personal funds be used to compensate shortages. All shortages must be brought to the attention of the treasurer immediately upon discovery.

RETURNED CHECKS. A returned check will be recorded in the accounting system against the revenue in which it was originally posted if the check is not replaced. First-time

returned checks will be re-deposited. Upon second receipt of a returned check, the treasurer will notify the check writer and inform him or her that his or her check did not clear and advise that there is a \$25.00 return check fee due. Thereafter, full payment, including the return check fee, must be in the form of cash, money order, or bank certified check.

The foregoing Policy is hereby adopted by the Selectboard and the treasurer of the Town of Derby, Vermont, this 21st day of September, 2020 and is effective as of this date until amended or repealed.

Appropriations Policy Review – The Board discussed when to waive the petition requirement and decided that if the request is for no increase from the previous year a petition is not required. If an increase is requested a petition is required for that year and the next 2 years. This will require agencies requesting an increase in their appropriation to submit petitions for 3 years before they are eligible to have the petition requirement waived again. Karen moved to approve this change to the Draft Appropriations Policy, seconded by Steve. Unanimous.

Review Tax Rate Signed on 9/7/2020 – The Board reviewed their approval a Residential Tax rate of \$1.8255 and a Non-Residential Tax rate of \$2.0782 on 9/7/2020. There was no meeting on 9/7/2020 due to Labor Day, but the rate was set so that the Clerk could send out the Tax Bills. This compares to last year’s tax rates of \$1.7437 for Residential and \$2.0415 for Non-Residential. The Town portion was down \$0.0109, the Education Residential was up \$0.0957, and the Education Non-Residential was up \$0.0506.

Sign & Review Reports: Balance Sheet, Budget Status Report, Delinquent Tax Report, General Journal Register – All were reviewed and signed.

TA & ZA Update – DRB/PC: The DRB has 1 permit for their meeting next week. The Planning Commission is continuing review of the Zoning Bylaw, they finished with Article 4, and will be starting the amendment process for Article 4, a new definition of Campground, and a map change moving the commercial properties along Caswell Ave to Village Residential 2 Derby Line (VR2DL). – Permits: 96 permits have been submitted year to date. - Zoning Violations: Abbott and Letourneau have both brought their properties into compliance. - Johns River: We are hopefully waiting on final approval before going out to bid. - COVID Grants: We did not qualify for the FEMA COVID grant. A LGER grant for \$5,340 has been submitted, included in this grant is approx \$1,500 to setup video conferencing in the meeting room. - Beach House Shoreline Restoration Project: The project is completed. There is a pile of topsoil by the volleyball court the road crew will have to remove. - Route 5 Speed Limit: The State engineer is recommending no change to the speed limit between Derby Center and Derby Line and the Transportation Board agreed. They left the speed limit at 50 mph, but they will be adding a “Trucks Entering Left” sign north of Fred’s which should allow Fred’s to do the project they want without having to move their access. - Storm Damage FEMA: Nothing new to report. - 4-H Road Property: I did not find any deed restrictions for this property.

OLD BUSINESS:

Legislative Update – They may be done for the year on Friday.

OTHER BUSINESS: None.

ROAD REPORT:

Everything is running good. The road crew has been doing road shoulder work and ditch cleaning.

EXECUTIVE SESSION: None.

ADJOURNMENT:

The next regular meeting is scheduled for 6:00 p.m. Monday, October 5, 2020. Beula made a motion to adjourn the meeting at 7:11 p.m., with Karen seconding. Unanimous.

Submitted by Bob Kelley, *Unofficial until approved.*