

Approved 5/1/06

TOWN OF HAMPDEN, MASSACHUSETTS
BOARD OF SELECTMEN/BOARD OF HEALTH

April 11, 2006
9:30 am

625 Main Street
Town House

Present: James D. Smith, Duane E. Mosier, John D. Flynn

Also present were Cliff Bombard, Town Accountant, Tracy Scibaldi, Town Treasurer and Eva Wiseman, Tax Collector

Guests: Tom Scanlon and Assistant

The meeting was called to order at 9:30 am by James D. Smith

The Board was scheduled to meet with the Town Auditor, Thomas J. Scanlon and Associates to discuss the outcome of the audit.

Mr. Scanlon reviewed the results of the audit and found everything to be in good order. His opening comment was that although the Town has no money, the processes through which we manage and account for it, are in good order. He did caution that the town should be more conservative for their revenue projections to avoid a negative cash flow situation. During his of the town's tax rate, it was noted that the estimated receipts were in excess of the actual collections. The Town should review al the estimated receipts in order to forecast a more accurate estimate of the revenues used to set the tax rate.

The Board also discussed the GASBE 45 process and the need to fund our currently unfunded budget line items.

There was a discussion about the process for bonding, and it was noted that an audit must be performed every two years to allow for bonding.

It was suggested that a warrant article be prepared for the next town meeting to ensure proper funding for the 2006 audit.

There was also discussion about how the Town could handle money not spent, but previously approved at town meeting which allowed the Town to borrow for a specific project. Mr. Scanlon suggested language such as "reconsider borrowed amount" for another similar project.

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The Board also looked for guidance on software to make the process smoother in future years.

A motion was made by John Flynn to adjourn the meeting at 11:30 am, seconded by Duane Mosier. VOTE: All in favor and so voted.

Respectfully submitted:

Pamela B. Courtney
Administrative Assistant

/pbc