

**Town of Auburn  
Board of Selectmen  
November 20, 2017  
Town Hall  
7:00 p.m.**

**() Call to Order – Pledge of Allegiance**

Approval of Accounts Payable for Week of November 20, 2017  
Consent Agenda – as of November 20, 2017

**() Public Hearing**

Concerning the acceptance of Anderson Way as a Class V road pursuant to the provisions of NH RSA 674:40-a and the Town of Auburn “Policy for the Acceptance of Town Roads”  
(Previously advertised)

**() Appointments with the Board**

Quarterly Meeting with Auburn School Board

**() FY 2018 Budget Presentations**

Police – Shift Differential – Bill Herman  
Insurance – Bill Herman  
Financial Administration – Audit – Bill Herman  
Personnel Administration – Bill Herman

**() New Business**

Receipt of FY 2016 Audit of Town Finances  
Proposed Surety Reduction – Anderson Way

**() Old Business**

**() Other Business**

**() Minutes**

- Amend November 28<sup>th</sup> , 2016 Meeting
- November 13<sup>th</sup>, 2017 Public Meeting
- November 13<sup>th</sup> , 2017 Non-Public Public Meeting

**() Adjourn**

*Note: “Any person with a disability who wishes to attend this public meeting and needs to be provided reasonable accommodations in order to participate, please contact the Board of Selectmen’s Secretary at (603) 483-5052 x100, so that arrangements can be made.”*

## **PUBLIC NOTICE**

### **PUBLIC HEARING AUBURN, NEW HAMPSHIRE**

The Auburn Board of Selectmen will hold a public hearing on Monday, November 20, 2017 beginning at 7:00 P.M. at the Auburn Town Hall for the purpose of receiving public comment concerning acceptance of Anderson Way as a Class V road pursuant to the provisions of NH RSA 674:40-a and the Town of Auburn "Policy for the Acceptance of Town Roads".

BOARD OF SELECTMEN  
AUBURN, NH  
November 6, 2017



# TOWN OF AUBURN

November 3, 2017

Board of Selectmen  
Town of Auburn  
PO Box 309  
Auburn, New Hampshire 03032

Re: Road Acceptance – Anderson Way  
Rob Starace/Anderson Way Subdivision

Dear Board of Selectmen:

The Auburn Planning Board met on November 1, 2017 to discuss a request that the town accept Anderson Way from Station 0+00 to 15+89 (end) as a town road.

Based upon the recommendation from Stantec Consulting Services, Inc., the Planning Board voted to recommend that the Board of Selectmen accept Anderson Way from Station 0+00 to 15+89 (end) as a town road.

I have attached a copy of Stantec's letter dated October 30, 2017 recommending that the Planning Board accept Anderson Way along with the minutes of that meeting. Also attached is the form for acceptance of road which has already been signed by the Planning Board Chairman and is now ready for signature by the Road Agent as well as the Board of Selectmen.

Please feel free to contact me with any questions.

Sincerely,

Denise Royce, Administrator  
Auburn Planning Board

Enc.



# TOWN OF AUBURN

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## AUBURN PLANNING BOARD NOTICE OF PLANNING BOARD DECISION

DATE: November 3, 2017

On November 1, 2017 the Auburn Planning Board voted to APPROVE the following proposal.

APPLICANT: Rob Starace  
Anderson Way Subdivision

PROPERTY LOCATION: Anderson Way (Station 0+00 to 15-89 (end))  
Auburn, New Hampshire

TAX MAP AND LOT NUMBER: Map 5, Lot 19

PROPOSAL: Road Acceptance

Signed,

Denise Royce  
Planning Board Administrator  
483-5052, Line 4

Cc: Board of Selectmen  
Auburn Building Inspector  
Applicant



October 30, 2017  
File: 195113117

Mr. Ron Poltak, Chairman  
Office of the Planning Board  
P.O. Box 309, 47 Chester Rd.  
Auburn, NH 03032-0309

**Reference: Auburn, NH  
Anderson Way Subdivision  
Roadway As-built Plan Review  
Road Acceptance & Surety Recommendation**

Dear Mr. Poltak:

We visited the site on October 30, 2017 to view the status of the completion of the above-noted roadway. We walked the project with Mike Dross, Carrie Cote, Denise Royce and Rob Starace (Developer). Based on our observations made during our site visit, the required road work has been completed.

Also, we reviewed the as-built and monumentation plans, prepared and hand delivered by Eric C. Mitchell & Associates, Inc. (ECM), dated October 24, 2017. In addition, we confirmed with the Planning Department that the written roadway deeds and associated easements were submitted by the Developer and have been approved by the Town's legal counsel.

The regulations require that maintenance surety be provided for a period of two years from the date of the completion of the roadway work. The amount of the maintenance surety must be 2% of the total estimated surety of \$574,855.00 (attached), or \$11,497.10. The Town is currently holding cash surety in the amount of \$51,645.00. We recommend that the surety be reduced to \$11,497.10 and be held for the remainder of the 2-year maintenance surety period, which will extend to October 23, 2019.

Based on the above information, we recommend the Planning Board recommend that the Board of Selectmen accept Anderson Way from Station 0+00 to Station 15+89 (end).

Please call if you have any questions.

Sincerely,

**STANTEC CONSULTING SERVICES INC.**

A handwritten signature in black ink, appearing to read "J. Daniel Tatem", written over a horizontal line.

J. Daniel Tatem  
Project Manager  
[dan.tatem@stantec.com](mailto:dan.tatem@stantec.com)  
Tel: (603) 669-8672  
Fax: (603) 669-7636

Attachment: Original Subdivision Improvement Surety Estimate Worksheet

c: Rob Starace, Owner  
Jim Headd, BOS Chairman  
Mike Dross, Road Agent  
Carrie Cote, Building Inspector  
Rene LaBranche, Stantec

TOWN OF AUBURN, NEW HAMPSHIRE  
SUBDIVISION IMPROVEMENTS SURETY ESTIMATE

Tax Map 5 / Lot 19

Name of Project: Anderson Way Subdivision - 1,589 lf

Date: June 9, 2015

ITEM	QUANTITY	MEASURE	UNIT PRICE	TOTAL PRICE
<b>1 Site Work</b>				
a Clearing & Grubbing	2.5	Acre	\$8,450.00	\$21,125.00
b Excavation	1,500	C.Y.	\$4.00	\$6,000.00
c Ledge Removal (10% of Excavation)	150	C.Y.	\$50.00	\$7,500.00
d Grading	4,950	S.Y.	\$0.50	\$2,475.00
e Erosion Control	1,850	L.F.	\$5.00	\$9,250.00
<b>2 Paving</b>				
a 12" Bank Run Gravel	2,085	C.Y.	\$18.00	\$37,530.00
b 6" Crushed Gravel	1,045	C.Y.	\$24.00	\$25,080.00
c 2.5" Binder Course Pavement (26.5' wide)	675	TON	\$85.00	\$57,375.00
d 1" Finish Course Pavement (24' wide)	245	TON	\$85.00	\$20,825.00
e Prep Work	1,589	L.F.	\$1.00	\$1,589.00
f Tack Coat	4,240	S.Y.	\$1.00	\$4,240.00
<b>3 Drainage Work</b>				
a Pipe:      Size      Type				
12"	147	L.F.	\$40.00	\$5,880.00
15"	420	L.F.	\$50.00	\$21,000.00
18"	39	L.F.	\$60.00	\$2,340.00
30"	51	L.F.	\$80.00	\$4,080.00
b 4' Dia. Catch Basins	9	EA.	\$4,000.00	\$36,000.00
c 4' Dia. Catch Basin Sediment Filters	9	EA.	\$150.00	\$1,350.00
d 30"x60"x44' Box Culvert with Baffles and Gravel	1	EA.	\$60,000.00	\$60,000.00
e Detention Basin Outlet Structures	2	EA.	\$4,000.00	\$8,000.00
f Detention Basins & Access Road	2	EA.	\$5,000.00	\$10,000.00
g Flared End Section	3	EA.	\$400.00	\$1,200.00
h Headwalls	1	EA.	\$1,250.00	\$1,250.00
i Treatment Swales	120	L.F.	\$3.50	\$420.00
j Rip Rap/Filter Material	25	C.Y.	\$45.00	\$1,125.00
k Stabilized Constuction Entrance	1	EA.	\$2,000.00	\$2,000.00
<b>4 On-site Improvements</b>				
a Loam & Seed	7,510	S.Y.	\$5.00	\$37,550.00
b W-Beam Guardrail	120	L.F.	\$20.00	\$2,400.00
c End Sections	4	L.F.	\$1,800.00	\$7,200.00
d Traffic Signs	3	EA.	\$150.00	\$450.00
e Electrical Utilities	1,600	L.F.	\$20.00	\$32,000.00
<b>5 Miscellaneous</b>				
a Granite Bounds	29	EA.	\$200.00	\$5,800.00
b Wetland Demarcation Fence & Plantings	1,290	L.F.	\$15.00	\$19,350.00
c Soils Testing	1	L.S.	\$3,000.00	\$3,000.00
d As-Built Plans	2	L.S.	\$1,500.00	\$3,000.00
e Deeds or Agreements	1	L.S.	\$1,500.00	\$1,500.00
			<b>SUBTOTAL:</b>	<b>\$459,884.00</b>
6 Escalation Factor (10% of Subtotal)				\$45,988.40
7 Contingencies (15% of Subtotal)				\$68,982.60
			<b>TOTAL:</b>	<b>\$574,855.00</b>

Estimated by: J. Daniel Tatem

Signature: 

Title: Project Manager

Date: June 9, 2015

Tele. #: 603-669-8672

Run: 11/17/17  
3:28PM

## 2018 PROPOSED POLICE TOWN OF AUBURN

Page: 1  
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ReportBudgetSF

		1	2	3	4	5	6	7	8	9
		Expended	Expended	Expended	Budgeted	Expended YTD	Dept/Comm	% Chg	BOS	Budget Comm
		2014	2015	2016	2017	2017	Request	17/18	Approved	Approved
							2018		2018	2018
		As of December	As of December	As of December	As of December	As of November				
General Fund										
Police Department										
1 01-4210-1-160-1	Shift Differential	1,122.63	1,449.00	4,910.76	7,589.00	5,261.38	7,589.00			
Police Department Total		1,122.63	1,449.00	4,910.76	7,589.00	5,261.38	7,589.00	0%	0.00	0.00
Grand Total:		1,122.63	1,449.00	4,910.76	7,589.00	5,261.38	7,589.00	0%	0.00	0.00

# 2018 PROPOSED INSURANCE TOWN OF AUBURN

		1	2	3	4	5	6	7	8	9
		Expended	Expended	Expended	Budgeted	Expended YTD	Dept/Comm	% Chg	BOS	Budget Comm
		2014	2015	2016	2017	2017	Request	17/18	Approved	Approved
							2018		2018	2018
		As of December	As of December	As of December	As of December	As of November				
<b>General Fund</b>										
<b>Insurance</b>										
1 01-4196-6-695-1	Municipal Property Liability	45,884.00	53,727.00	63,935.00	66,877.00	69,819.00	70,714.00	6%		
Narrative for Column # 6										
July renewal.										
2 01-4196-6-695-2	Unemployment Compensation	1,445.00	980.00	0.00	1,623.00	92.33	1,191.00	-27%		
3 01-4196-6-695-3	Workers' Compensation	31,400.43	20,164.13	16,913.48	38,071.00	38,071.00	40,160.00	5%		
4 01-4196-6-695-4	Insurance Retention (Claims)	1,126.15	-7,356.20	8,033.00	3,000.00	1,190.00	3,000.00			0.00
<b>Insurance Total</b>		<b>79,855.58</b>	<b>67,514.93</b>	<b>88,881.48</b>	<b>109,571.00</b>	<b>109,172.33</b>	<b>115,065.00</b>	<b>5%</b>	<b>0.00</b>	<b>0.00</b>
<b>Grand Total:</b>		<b>79,855.58</b>	<b>67,514.93</b>	<b>88,881.48</b>	<b>109,571.00</b>	<b>109,172.33</b>	<b>115,065.00</b>	<b>5%</b>	<b>0.00</b>	<b>0.00</b>



November 15, 2017

**PROPERTY and LIABILITY PROGRAM**

**MEMBER CONTRIBUTION SUMMARY  
JULY 1, 2018 through JUNE 30, 2019 RENEWAL  
NOT TO EXCEED**

MEMBER: Auburn, Town of  
MEMBER NUMBER: 111

FY 2017/2018

FY 2018/2019

Contribution Assurance Program (CAP) Yes

PRIME<sup>3</sup> Program No

Member Contribution \$69,819

Member Contribution \$71,609

Your 2017/2018 Property Values	\$5,867,909
Your 2018/2019 Property Values*	\$5,610,830
(Exposures Valued as of 9/21/2017)	
Change in Property	- 4.4%
 Your 2017/2018 Payroll (CY 2015 Reported)	\$1,685,977
Your 2018/2019 Payroll (CY 2016 Reported)	\$1,651,856
Change in Payroll	- 2.0%
 Your 2017/2018 Loss Ratio Adjustment Factor	1.37
Your 2018/2019 Loss Ratio Adjustment Factor	1.51
Change in Loss Ratio Adjustment Factor	10.2%
 Change from 2017/2018 to 2018/2019	
Contribution Amount Change	\$1,790
Contribution Percent Change	2.6%

Please contact the Primex<sup>3</sup> Member Services Team  
if you have any questions or comments.

Final contribution summary sheets will be issued  
by April 15, 2018.

OCTOBER 15, 2017

**UNEMPLOYMENT COMPENSATION PROGRAM**  
**MEMBER CONTRIBUTION SUMMARY**  
**JANUARY 1, 2018 through DECEMBER 31, 2018 RENEWAL**

**MEMBER: Town of Auburn**  
**MEMBER NUMBER: 111**

**CY 2017**

**CY 2018**

**Member Contribution**

**\$1,623**

**Member Contribution**

**\$1,191**

Your 2017 Taxable Wages (CY 2015 Reported)	\$551,092
Your 2018 Taxable Wages (CY 2016 Reported)	\$567,128
Change in Taxable Wages	2.9%
 Your 2016 Loss Ratio	 0%
Your 2017 Loss Ratio (through June 2017)	580%
 Your 2017 Unemployment Rate	 0.29%
Your 2018 Unemployment Rate	0.21%
 Change from 2017 to 2018:	
Contribution Amount Change	-\$ 432
Contribution Percent Change	-26.6%

Please contact the Primex<sup>3</sup> Member Services Team  
if you have any questions or comments.

Invoices will be mailed around January 1, 2018.

01-4196-6-645-2

OCTOBER 15, 2017

## WORKERS' COMPENSATION PROGRAM

### MEMBER CONTRIBUTION SUMMARY JANUARY 1, 2018 through DECEMBER 31, 2018 RENEWAL

MEMBER: Town of Auburn  
MEMBER NUMBER: 111

CY 2017

CY 2018

Contribution Assurance Program (CAP) Yes

PRIME<sup>3</sup> Program No

Member Contribution \$38,071

Member Contribution \$40,160

Your 2017 Payroll (CY 2015 Reported)	\$1,685,977
Your 2018 Payroll (CY 2016 Reported)	\$1,651,856
Change in Payroll	-2.0%

Your 2017 Loss Ratio Adjustment Factor	0.91
Your 2018 Loss Ratio Adjustment Factor	1.00
Change in Loss Ratio Adjustment Factor	9.9%

Change from 2017 to 2018:	
Contribution Amount Change	\$2,089
Contribution Percent Change	5.5%

Please contact the Primex<sup>3</sup> Member Services Team  
if you have any questions or comments.

Invoices will be mailed around January 1, 2018.

01-4146-6-695-3

# 2018 PROPOSED FINANCIAL ADMINISTRATION

## TOWN OF AUBURN

	1 Expended 2014  As of December	2 Expended 2015  As of December	3 Expended 2016  As of December	4 Budgeted 2017  As of December	5 Expended YTD 2017  As of November	6 Dept/Comm Request 2018	7 % Chg 17/18	8 BOS Approved 2018	9 Budget Comm Approved 2018
<b>General Fund</b>									
<b>Financial Administration</b>									
1 01-4150-3-310-1      Audit	12,021.00	16,579.00	13,818.75	13,500.00	6,843.75	14,000.00	4%		
Narrative for Column # 6									
Estimate \$12,000 audit; \$2,000 GASB 45 compliance.									
<b>Financial Administration Total</b>	<b>12,021.00</b>	<b>16,579.00</b>	<b>13,818.75</b>	<b>13,500.00</b>	<b>6,843.75</b>	<b>14,000.00</b>	<b>4%</b>	<b>0.00</b>	<b>0.00</b>
<b>Grand Total:</b>	<b>12,021.00</b>	<b>16,579.00</b>	<b>13,818.75</b>	<b>13,500.00</b>	<b>6,843.75</b>	<b>14,000.00</b>	<b>4%</b>	<b>0.00</b>	<b>0.00</b>

# 2018 PROPOSED PERSONNEL ADMINISTRATION

## TOWN OF AUBURN

	1	2	3	4	5	6	7	8	9
	Expended	Expended	Expended	Budgeted	Expended YTD	Dept/Comm	% Chg	BOS	Budget Comm
	2014	2015	2016	2017	2017	Request	17/18	Approved	Approved
						2018		2018	2018
	As of December	As of December	As of December	As of December	As of November				
<b>General Fund</b>									
<b>Personnel Administration</b>									
1 01-4155-2-290-0 Longevity Pay	9,250.00	8,950.00	9,900.00	10,350.00	0.00	10,600.00	2%		
<i>Narrative for Column # 6</i>									
Longevity Pay is included in both the Town Personnel Policy and the Police Union Collective Bargaining Agreement. In 2018, 28 employees would be eligible including 10 employees with 5 - 9 years (\$150) = \$1,500; 9 employees with 10 - 14 years (\$300) = \$2,700; 4 employees with 15 - 19 years (\$450) = \$1,800; 1 employee with 20 - 24 years (\$600) = \$600; 4 employees with 25+ years (\$1,000) = \$4,000.									
<b>Grand Total:</b>	<b>9,250.00</b>	<b>8,950.00</b>	<b>9,900.00</b>	<b>10,350.00</b>	<b>0.00</b>	<b>10,600.00</b>	<b>2%</b>	<b>0.00</b>	<b>0.00</b>

# 2018 PROPOSED HEALTH DENTAL & DISABILITY TOWN OF AUBURN

	1	2	3	4	5	6	7	8	9
	Expended	Expended	Expended	Budgeted	Expended YTD	Dept/Comm	% Chg	BOS	Budget Comm
	2014	2015	2016	2017	2017	Request	17/18	Approved	Approved
	As of December	As of December	As of December	As of December	As of November	2018		2018	2018
<b>General Fund</b>									
<b>Personnel Administration</b>									
<b>Group Insurance - Health</b>									
1 01-4155-2-210-1 Health Insurance (All Departments)	257,884.83	259,632.44	258,985.33	282,066.00	253,684.91	318,046.00	13%		
Narrative for Column # 6									
Coverage or In Lieu for 22 employees; 4 In Lieu, 8 Single, 6 Two Person, 4 Family.									
<b>Group Insurance - Dental</b>									
2 01-4155-2-211-1 Dental Insurance (All Departments)	15,110.06	14,791.03	15,113.32	14,395.00	14,715.14	14,335.74			
Narrative for Column # 6									
Covers 21 employees; 9 Single, 7 Two Person, 5 Family.									
<b>Group Insurance - Disability</b>									
3 01-4155-2-213-1 Disability Insurance (All Departments)	10,419.15	9,235.05	7,131.39	7,586.00	6,217.41	7,938.00	5%		
Narrative for Column # 6									
Covers 21 employees.									
<b>Group Insurance - Other</b>									
4 01-4155-2-214-1 Life Insurance (All Departments)	0.00	0.00	2,150.00	3,000.00	3,025.87	2,772.00	-8%		
Narrative for Column # 6									
Covers 21 employees.									
<b>Personnel Administration Total</b>	<b>283,414.04</b>	<b>283,658.52</b>	<b>283,380.04</b>	<b>307,047.00</b>	<b>277,643.33</b>	<b>343,091.74</b>	<b>12%</b>	<b>0.00</b>	<b>0.00</b>
<b>Grand Total:</b>	<b>283,414.04</b>	<b>283,658.52</b>	<b>283,380.04</b>	<b>307,047.00</b>	<b>277,643.33</b>	<b>343,091.74</b>	<b>12%</b>	<b>0.00</b>	<b>0.00</b>

**REPORT ON INTERNAL CONTROL BASED ON  
AN AUDIT OF BASIC FINANCIAL STATEMENTS**

To the Board of Selectmen  
Town of Auburn, New Hampshire

In planning and performing our audit of the financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the Town of Auburn, New Hampshire (the Town) as of and for the year ended December 31, 2016, in accordance with auditing standards generally accepted in the United States of America, we considered the Town's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

This communication is intended solely for the information and use of management, the Board of Selectmen, and others within the organization, and is not intended to be, and should not be, used by anyone other than these specified parties.

*Vachon Clukay & Company PC*

Manchester, New Hampshire  
November 13, 2017



November 13, 2017

To the Board of Selectmen  
Town of Auburn, New Hampshire

We have audited the financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the Town of Auburn, New Hampshire (the Town) for the year ended December 31, 2016. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated April 27, 2017. Professional standards also require that we communicate to you the following information related to our audit.

### **Significant Audit Findings**

#### ***Qualitative Aspects of Accounting Practices***

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Town of Auburn, New Hampshire are described in Note 1 to the financial statements. During the year ended December 31, 2016, the Town adopted and implemented GASB Statement #72 – *Fair Value Measurement and Application*. There was no effect on beginning of the year balances as a result of adoption of the new standard. We noted no transactions entered into by the Town during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the governmental activities, the major fund and the aggregate remaining fund information's financial statements were:

Management's estimate of the allowance for uncollectible taxes receivable is based on taxpayer bankruptcies, abatements subsequently issued, historical collection levels, and an analysis of the collectability of individual accounts. We evaluated the key factors and assumptions used to develop the allowance in determining that they are reasonable in relation to the financial statements taken as a whole. Additionally, management's estimates of the useful lives of depreciable capital assets and the liability for landfill postclosure care costs are based on historical utilization of assets, necessary improvements and replacements, and future monitoring and maintenance costs provided by the Town's engineering firm, respectively. We evaluated the key factors and assumptions used to develop the depreciable useful lives of capital assets and the liability for landfill postclosure care costs in determining that they are reasonable in relation to the financial statements taken as a whole.



Significant estimates also include actuarial assumptions used in determining pension costs which are based on plan audited financial statements. We evaluated the assumptions used in the plan audited financial statements to determine that they are reasonable in relation to the financial statements as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure affecting the financial statements was:

As discussed in Note 2 to the basic financial statements, the Town has not implemented GASB Statement 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. The provisions of GASB Statement 45 were required to be implemented by the Town during the year ended December 31, 2009.

The financial statement disclosures are neutral, consistent, and clear.

#### ***Difficulties Encountered in Performing the Audit***

We encountered no significant difficulties in dealing with management in performing and completing our audit.

#### ***Corrected and Uncorrected Misstatements***

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

#### ***Disagreements with Management***

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

#### ***Management Representations***

We have requested certain representations from management that are included in the management representation letter dated November 13, 2017.

#### ***Management Consultations with Other Independent Accountants***

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Town's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

### ***Other Audit Findings or Issues***

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Town's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

The Town has not implemented the provisions of GASB 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, which resulted in an adverse opinion on the Governmental Activities.

During our audit, we became aware of matters that represent an opportunity for strengthening internal controls and operating efficiency. See the separately issued 'Management Recommendations Letter' dated November 13, 2017, for further information regarding our comments and suggestions.

### **Other Matters**

We applied certain limited procedures to the management's discussion and analysis, budgetary comparison information, schedule of changes in the Town's proportionate share of the net pension liability, and schedule of Town contributions, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the combining nonmajor governmental fund financial statements, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

### **Restriction on Use**

This information is intended solely for the use of the Board of Selectmen and management of the Town of Auburn, New Hampshire and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

***Vachon Clukay & Company PC***

November 13, 2017

To the Board of Selectmen  
Town of Auburn, New Hampshire

In planning and performing our audit of the financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the Town of Auburn, New Hampshire for the year ended December 31, 2016, we considered the Town's internal control structure to determine audit procedures for the purpose of expressing our opinions on the basic financial statements and not to provide assurance on the internal control structure.

However, during our audit we became aware of matters that represent opportunities for strengthening internal controls and operating efficiency. The memorandum that accompanies this letter summarizes our comments and suggestions regarding these matters. We previously reported on the Town's internal control structure in our report dated November 13, 2017. This letter does not affect that report or our report on the basic financial statements dated November 13, 2017.

We have already discussed these comments and suggestions with various Town personnel, and we will be pleased to discuss them in further detail at your convenience, to perform additional study of the matters, or to assist you in implementing the recommendations.

The purpose of this letter is to provide constructive and meaningful recommendations to you.

Sincerely,

*Vachon Clukay & Company PC*

Vachon Clukay & Company PC

## **PAYROLL: DOCUMENTATION OF PAY RATES**

### ***Observation***

During our testing of controls over payroll disbursements, we noted several instances where an employee did not have a formally documented rate of pay and/or had an authorized rate of pay that was changed during the year, however, there was no documentation of the change on file. Additionally, we noted an instance where an employee was paid the incorrect shift differential based on the respective collective bargaining agreement and timecard.

### ***Implication***

Internal controls are weakened because without a documented, approved rate of pay, there is an increased risk that an employee will be paid the incorrect amount or at an incorrect rate. Without updates to changes during the year, there is increased risk that a change occurs to pay rates which was not authorized. Additionally, the Town could become susceptible to future compensation claims by employees, if paid at improper rates.

### ***Recommendation***

We recommend that employee files are updated throughout the year as changes are made, maintained by the finance office, and properly filed.

## **VENDOR DISBURSEMENTS: APPROVAL OF INVOICES**

### ***Observation***

During our testing of internal controls over vendor disbursements, we noted many instances where the supporting documentation for a vendor payment was not properly approved by a department supervisor/head level of management.

### ***Implication***

Internal controls over the cash disbursements process are weakened without the formal review and approval at the department supervisor/head level of management. There is an increased risk that improper expenditures may be incurred and go undetected without proper formally documented approval.

### ***Recommendation***

We recommend that invoices are reviewed and approved by the applicable department supervisor/head level of management before being submitted to the finance office for payment.

## **CREDIT CARD PURCHASES: SUPPORTING DOCUMENTATION**

### ***Observation***

As a part of our audit procedures, we inquired and tested controls over the Town's use of credit cards. We noted that the credit cards were used to make many purchases throughout the year and, consistent with our findings over vendor disbursements, there were numerous instances of purchases which lacked formal approval at the department supervisor/head level of management. Additionally, we noted numerous instances where purchases made on the credit cards lacked adequate supporting documentation, such as a receipt or invoice.

### ***Implication***

Controls over the disbursements of the Town are weakened, as a lack of approval and sufficient supporting documentation to substantiate purchases increases the likelihood of misuse or abuse of credit cards.

### ***Recommendation***

We recommend that all charges on the monthly credit card statements contain proper approval at the department supervisor/head level of management, as well as supporting documentation which indicates the date, amount and details of the purchase.

**PLANNING BOARD  
TOWN OF AUBURN**

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November 3, 2017

Mr. James Headd, Chairman  
Town of Auburn  
Board of Selectmen  
47 Chester Road  
Auburn, NH 03032

Re: Rob Starace/Anderson Way  
Surety Reduction Recommendation  
2-year Maintenance Surety to be held

Dear Mr. Headd:

On November 1, 2017, the Planning Board voted to recommend The Board of Selectmen approve the reduction of the surety held by the Town of Auburn from the current surety down to \$11,497.10. This will leave the Stantec recommended balance of \$11, 497.10 to be held for the remainder of the 2-year maintenance surety period, which will extend to October 23, 2019. For your reference, I have attached a copy of Stantec's recommendation letter dated October 30, 2017 along with the Planning Board meeting minutes.

Thank you for your attention to this matter. Please feel free to contact me with any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Denise Royce", with a long horizontal flourish extending to the right.

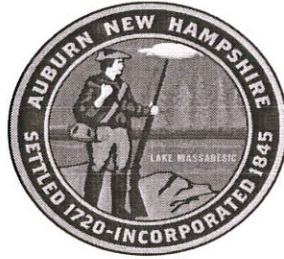
Denise Royce  
Land Use Administrator  
Auburn Planning Board

Attachment



## Town of Auburn

Town Hall  
47 Chester Road  
P.O. Box 309  
Auburn, NH 03032



## Town Administrator

William G. Herman, CPM  
Phone: (603) 483-5052 Ext. 111  
Fax: (603) 483-0518  
E-Mail:  
townadmin@townofauburnnh.com

**To:** Board of Selectmen

**From:** Bill Herman, CPM, Town Administrator

**Date:** November 17, 2017

**Re:** Amendment to BOS Meeting Minutes of November 28, 2016

It has recently been pointed out by Finance Director Adele Frisella and Trust Fund Trustee Barbara Carpenter the minutes of the Board of Selectmen's meeting of November 28, 2016 incorrectly identifies "perpetual care funds" as a source of revenue for work included in the cemetery budget for 2017.

The Cemetery Trustees were not proposing funding come from perpetual care funds, but from the Helen Eaton Maintenance Fund, which is held by the Trustees of Trust Funds.

The Helen Eaton Fund was left through the will of Mrs. Eaton and are funds for the general care, maintenance and improvements of the Longmeadow Cemetery.

In order to establish a clear record of the budget intention and to be able to transfer this \$10,000 to the Town's general fund as the FY 2017 budget anticipates, we need to ask the Board to correct the minutes to reflect the Helen Eaton Maintenance Fund and not perpetual care funds.

Should this correction not be made, there is not a clear record to allow the Trustees of Trust Funds to act on the transfer and the funds will remain with the Trustees, leaving the anticipated Town revenues for 2017 short \$10,000.

If the Board agrees this correction should be made, it would be appropriate for the Board to consider acting on the following motion:

*Move to amend the minutes of the November 28, 2016 Board of Selectmen meeting to change the sentence "Mr. Dollard indicated that the Cemetery Trustees would like the ability to utilize some of the perpetual care funds to make improvements to the Longmeadow Cemetery" to the following: "Mr. Dollard indicated that the Cemetery Trustees would like the ability to utilize some of the funds from the Helen Eaton Maintenance Trust Fund to make improvements to the Longmeadow Cemetery".*

Thank you for your consideration.

Attachment

**Town of Auburn  
Board of Selectmen  
November 28, 2016**

**Selectmen Present:** James Headd, Richard Eaton & Dale Phillips

**Also Present:** Don Dollard, and Scott Norris, Cemetery Trustees; Mike & Linda Dross, Michael Rolfe, Paula Marzloff, Russ Sullivan, Sue Marzloff, and Mike DiPietro, Residents; William Herman, Town Administrator; Kathryn Lafond, Recording Secretary

Mr. Headd called the public meeting to order at 7:00 p.m. and led the audience in the Pledge of Allegiance.

**Approval of Payroll for Week of November 28<sup>th</sup>, 2016**

***Mr. Eaton moved to approve the Payroll Manifest in the amount of \$52,720.30 for the week of November 28<sup>th</sup>, 2016; Mrs. Phillips seconded the motion; all were in favor, the motion passed unanimously.***

**Consent Agenda – Week of November 28<sup>th</sup>, 2016**

Correspondence

David Jenkins / Acknowledgement of Resignation as Cemetery Trustee  
Town Employees / Acknowledgement of Longevity Pay

NHDRA / 2016 Equalization Municipal Data Certificate

Preliminary Sales to Assessment Ratio

Void Check Manifest

Mortgage search - \$210.00

Pistol/Revolver License

Six (6) License

***Mr. Eaton moved to approve the Consent Agenda as presented; Mrs. Phillips seconded the motion; all were in favor, the motion passed unanimously.***



## FY 2017 Budget Presentations

### Cemetery

Account Number	Account Description	Proposed Amount	Approved Amount
01-4195-5-550-2	Longmeadow Cemetery	\$10,000.00	\$10,000.00

Mr. Dollard indicated that the Cemetery Trustees would like the ability to utilize some of the **perpetual care funds** to make improvements to the Longmeadow Cemetery. Mr. Herman noted that gross budgeting needs to be followed, \$10,000 from the perpetual care fund will be added to a revenue account to offset this proposed expenditure.

***Mr. Eaton moved to approve the Cemetery budget – Longmeadow Cemetery as presented and discussed; Mrs. Phillips seconded the motion; all were in favor, the motion passed unanimously.***

### Financial Administration

Account Number	Account Description	Proposed Amount	Approved Amount
01-4150-3-310-1	Audit	\$13,500.00	\$13,500.00

Mr. Herman stated that this proposed amount included the cost of the annual audit and the compliance with GASB 45 which Finance Director Frisella and the Auditors previously discussed with the Board.

***Mrs. Phillips moved to approve the Financial Administration – Audit budget as presented and discussed; Mr. Eaton seconded the motion; all were in favor, the motion passed unanimously.***

### Police

New Account Number	Account Description	Proposed Amount	Approved Amount
01-4210-1-160-1	Shift Differential	\$7,589.00	\$7,589.00

Mr. Herman noted that Shift Differential is within the collective bargaining agreement, the town is contractually obligated to pay.

***Mrs. Phillips moved to approve the Police – Shift Differential lines as presented & discussed; Mr. Eaton seconded the motion; all were in favor, the motion passed unanimously.***

#### **Improvements other than Buildings**

Account Number	Account Description	Proposed Amount	Approved Amount
01-4909-9-930-0	Road Reconstruction	\$800,000.00	\$800,000.00

The Board was provided with a memo with the Road Agents recommendation of road left to be improved. Mr. Dross discussed addressing Nutt Road, Lovers Lane and Rockwood Terrace with the Board. Mr. Eaton suggested also reclaiming and paving Walnut Drive, Acorn Avenue and Joan Drive in the coming year. Mr. Dross noted that those roads are currently 30 foot roads and thought the gravel underneath those three roads is likely good, he would propose that the asphalt be torn up and crushed and the road could be repaved to 22 foot wide roads. Mr. Eaton agreed and approximated some costs to complete the roads mentioned. Mr. Dross thought that the actual cost should be close provided they do not run into something unforeseen during the process. Mr. Dross noted that he believes there is probably loam under Nutt Road. The order in which the roads would be completed was discussed. Mr. Dross indicated that Nutt Road would be done first in the spring and he would like to complete Lovers Lane over the summer when school is out of session as he will need to close the road to through traffic. Rockwood Terrace, Walnut Drive, Acorn Avenue and Joan Drive would be completed after Lovers Lane.

***Mr. Eaton moved to approve the Improvements other than Buildings – Road Reconstruction budget as presented & discussed; Mrs. Phillips seconded the motion; all were in favor, the motion passed unanimously.***

#### **Warrant Article – Town Buildings Rehabilitation CRF**

The Board reviewed the following warrant article:

*To see if the Town will vote to raise and appropriate the sum of Forty-two thousand dollars (\$42,000) to be placed into the Town Building Rehabilitation Capital Reserve Fund previously established. This sum to come from the unreserved fund balance (surplus) as of December 31, 2016 with no amount to be raised by taxation in 2017.*

Mr. Herman informed the Board that \$54,000 was spend this year, the proposed Warrant Article amount would bring the balance of the fund back up to \$100,000.

***Mrs. Phillips moved to recommend the warrant article as presented; Mr. Eaton seconded the motion; all were in favor, the motion passed unanimously.***

#### **Warrant Article – Accrued Benefits Expendable Trust Fund**

The Board reviewed the following warrant article:

*To see if the Town will vote to raise and appropriate the sum of Thirteen thousand dollars (\$13,000) to be placed into the Accrued Benefits Expendable Trust Fund previously established. This sum to come from the unreserved fund balance (surplus) as of December 31, 2016 with no amount to be raised by taxation in 2017.*

Mr. Herman stated that when the fund was established the goal was to maintain \$50,000 in the fund. The proposed amount would replenish what was expended this year with two employee retirements.

***Mrs. Phillips moved to recommend the warrant article as presented; Mr. Eaton seconded the motion; all were in favor, the motion passed unanimously.***

### **New Business**

#### Proposed Revision to Policy for Acceptance of Roads

The Board reviewed the proposed revision to Policy for Acceptance of Roads. Mr. Eaton believed that there still needs to be a deadline date. The other Board members and Road Agent agreed.

#### Proposed Revision to Purchasing Policy – Rates for Contract Labor / Equipment

The Board reviewed the proposed revision to the Purchasing Policy. The revisions include a \$5.00 per hour rate increased for winter labor & equipment.

***Mr. Eaton moved to approve the revision to the Purchasing Policy as written; Mrs. Phillips seconded the motion; all were in favor, the motion passed unanimously.***

#### Request for Proposal – Salt & Sand Storage Facility

Mr. Herman informed the Board that a Request for Proposal was issued on November 21<sup>st</sup> for a salt & sand storage facility. Mr. Herman noted that two companies have inquired already.

### **Other Business**

#### Board of Selectmen Meeting Schedule

**Mr. Headd informed the public that the Board would resume meeting every other week beginning with their meeting next Monday, December 5<sup>th</sup>.**

## **Minutes**

### November 21<sup>st</sup>, 2016 Public Meeting

***Mrs. Phillips moved to approve the minutes of the November 21<sup>st</sup>, 2016 public meeting; Mr. Eaton seconded the motion; all were in favor, the motion passed unanimously.***

### **Non-Public Session**

***Mr. Headd moved to enter into non-public session pursuant to RSA 91-A 3, II (c) Reputation of someone other than a member of the Board at 7:41 p.m.; Mr. Eaton seconded the motion; A roll call vote was taken; Mr. Headd – yes, Mrs. Phillips – yes, Mr. Eaton – yes. The motion passed.***

Meeting in Non-Public Session with the Selectmen was Town Administrator Herman and Ms. Lafond. The Board conducted a continuation of an annual employee evaluation.

***Mrs. Phillips moved to exit non-public session; Mr. Eaton seconded the motion; A roll call vote was taken; Mr. Headd – yes, Mrs. Phillips – yes, Mr. Eaton - yes. The motion passed.***

***Mr. Headd moved to approve a Step Increase to the Town Administrator's salary from a Labor Grade 20, Step 12 to a Labor Grade 20, Step 13 based on a positive job performance evaluation; Mrs. Phillips seconded the motion; all were in favor, the motion passed unanimously.***

***Mr. Eaton moved to adjourn; Mrs. Phillips seconded the motion; all were in favor, the public meeting ended at 7:45 p.m.***



# TOWN OF AUBURN

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November 20, 2017

Ms Barbara Carpenter  
Trust Funds Treasurer  
P O Box 463  
Auburn, NH 03032

Re: Longmeadow Cemetery Perpetual Care Funds

Dear Ms Carpenter:

The Town of Auburn is requesting reimbursement from the Longmeadow Cemetery Helen Eaton Maintenance Fund in the amount of **\$10,000.00**. This amount represent the amount requested by the Cemetery Trustees for work to be done at Longmeadow Cemetery. Attached you will find supporting documentation for this request. Please forward this same amount, at your earliest convenience.

Please do not hesitate to contact me should you have any questions or concerns.

Sincerely,

Adele A. Frisella  
Finance Director



**Report of the Trust Funds of the Town of Auburn, NH 03032**  
on December 31, 2016

Record Number	Date of Creation	Name of Trust Fund: Longmeadow Cemetery	Purpose of Trust Fund	How Invested	PRINCIPAL			INCOME				Grand Total of Principal & Income at End of Year
					Beginning Balance	New Funds Created	End Year	Balance Beginning Year	Income During Amount	Expended During Year	Balance End Year	
1	3/21/1921	Burnham, H.B.	Perpetual Care	Citizens Bank	\$ 300.00	\$ -	\$ 300.00	\$ 1,262.41	\$ 4.07	\$ -	\$ 1,266.48	\$ 1,566.48
2	4/24/1925	Chase, Warren	Perpetual Care	Citizens Bank	\$ 100.00	\$ -	\$ 100.00	\$ 420.80	\$ 1.36	\$ -	\$ 422.16	\$ 522.16
3	2/21/1923	Clark, Anna C.	Perpetual Care	Citizens Bank	\$ 100.00	\$ -	\$ 100.00	\$ 420.80	\$ 1.36	\$ -	\$ 422.16	\$ 522.16
4	12/16/1941	Currier & Emery	Perpetual Care	Citizens Bank	\$ 100.00	\$ -	\$ 100.00	\$ 420.80	\$ 1.36	\$ -	\$ 422.16	\$ 522.16
5	3/19/1976	Eaton, Helen	Maintenance	Citizens Bank	\$ 40,224.37	\$ -	\$ 40,224.37	\$ 38,194.14	\$ 545.41	\$ -	\$ 38,739.55	\$ 78,963.92
6	2/11/1944	Eaton, R.L. & G.K.	Perpetual Care	Citizens Bank	\$ 400.00	\$ -	\$ 400.00	\$ 1,683.21	\$ 5.42	\$ -	\$ 1,688.63	\$ 2,088.63
7	2/29/1940	Emery, Mary C	Perpetual Care	Citizens Bank	\$ 600.00	\$ -	\$ 600.00	\$ 2,524.81	\$ 8.14	\$ -	\$ 2,532.95	\$ 3,132.95
8	6/25/1926	Hall, Albert	Perpetual Care	Citizens Bank	\$ 100.00	\$ -	\$ 100.00	\$ 420.80	\$ 1.36	\$ -	\$ 422.16	\$ 522.16
9	2/25/2013	Kellett, Charles & Bessie	Perpetual Care	Citizens Bank	\$ 1,000.00	\$ -	\$ 1,000.00	\$ 30.76	\$ 13.56	\$ -	\$ 44.32	\$ 1,044.32
10	12/7/1939	Knight, E.H.	Perpetual Care	Citizens Bank	\$ 100.00	\$ -	\$ 100.00	\$ 420.80	\$ 1.36	\$ -	\$ 422.16	\$ 522.16
11	10/24/1925	Mitchell, C.F.	Perpetual Care	Citizens Bank	\$ 100.00	\$ -	\$ 100.00	\$ 420.80	\$ 1.36	\$ -	\$ 422.16	\$ 522.16
12	5/15/1930	Morrill, J & Watson	Perpetual Care	Citizens Bank	\$ 100.00	\$ -	\$ 100.00	\$ 420.80	\$ 1.36	\$ -	\$ 422.16	\$ 522.16
13	3/2/1924	Osgood, David	Perpetual Care	Citizens Bank	\$ 300.00	\$ -	\$ 300.00	\$ 1,262.41	\$ 4.07	\$ -	\$ 1,266.48	\$ 1,566.48
14	2/3/1938	Parkhurst, Mr. & Mrs.	Perpetual Care	Citizens Bank	\$ 100.00	\$ -	\$ 100.00	\$ 420.80	\$ 1.36	\$ -	\$ 422.16	\$ 522.16
15	6/17/1934	Preston, Herbert	Perpetual Care	Citizens Bank	\$ 34.50	\$ -	\$ 34.50	\$ 32.76	\$ 0.47	\$ -	\$ 33.23	\$ 67.73
16	None Given	Reed, Emeline	Perpetual Care	Citizens Bank	\$ 100.00	\$ -	\$ 100.00	\$ 420.80	\$ 1.36	\$ -	\$ 422.16	\$ 522.16
17	12/6/1957	Spoffard, G.	Perpetual Care	Citizens Bank	\$ 100.00	\$ -	\$ 100.00	\$ 420.80	\$ 1.36	\$ -	\$ 422.16	\$ 522.16
18	3/5/1942	Underhill, E.	Perpetual Care	Citizens Bank	\$ 100.00	\$ -	\$ 100.00	\$ 420.80	\$ 1.36	\$ -	\$ 422.16	\$ 522.16
19	4/27/1951	Underhill, Wells	Perpetual Care	Citizens Bank	\$ 200.00	\$ -	\$ 200.00	\$ 841.60	\$ 2.71	\$ -	\$ 844.31	\$ 1,044.31
20	6/5/2013	Warren, Ken	Perpetual Care	Citizens Bank	\$ 250.00	\$ -	\$ 250.00	\$ 6.90	\$ 3.39	\$ -	\$ 10.29	\$ 260.29
21	11/22/1941	Watson, A.C.	Perpetual Care	Citizens Bank	\$ 400.00	\$ -	\$ 400.00	\$ 1,683.21	\$ 5.42	\$ -	\$ 1,688.63	\$ 2,088.63
22	3/27/1925	Watson, S.H.	Perpetual Care	Citizens Bank	\$ 100.00	\$ -	\$ 100.00	\$ 420.80	\$ 1.36	\$ -	\$ 422.16	\$ 522.16
Total:					\$ 44,908.87		\$ 44,908.87	\$ 52,571.85	\$ 608.93		\$ 53,180.78	\$ 98,089.65