



## Hill Water Works – Commissioners Meeting

### Meeting Minutes

**\* APPROVED \***

**February 11<sup>th</sup>, 2025**

Regularly Scheduled Meeting - Board Members Present - Stephen Thomson, Charles Estes and Anthony Cartier.

Public Attendance - Shaun Bresnahan, Rick Vincent, Harold Knott, Joann Irving and Matthew Murray of Vachon, Clukay PC

Audio is not available - Meeting called to Order at 6:30 p.m. by Stephen Thomson.

**Approval of Previous Minutes** – Stephen made a motion to table minutes and board business until later in order to speak with Matthew Murray. Motion passed unanimously.

This meeting was requested by the Water Department to be a joint meeting of the executive board and the Water Commission. All members were present.

### New Business -

- Matthew Murray began the discussion by recapping how the Board of Selectmen hired Vachon and Clukay Company, PC to perform the annual Town of Hill Audit. The Audit process began in Q4 of 2024. The “field review day” was scheduled for October 2<sup>nd</sup>. It was discussed that In the early afternoon of October 2<sup>nd</sup>, Mr. Murray contacted Charles Estes requesting financial information from the water department that was not readily available to the Water Commission. The following day, from the Water Works office, Charlie provided an export excel file containing the 2023 trial balance and an exported excel version of the 2023 general ledger. These were exact copies that were available to the Water Commission.

Stephen Thomson recounted that during a Selectmen's meeting in October, via conference call with Mr. Murray, that Matt had informed the Selectmen of inconsistencies between records provided by the treasurer and the Excel files provided by Charlie. Matt's question was which set of Records do the Selectmen want to have audited? Stephen Thompson immediately responded, BOTH. After further discussion it was decided the auditing firm would do the best they could to audit both sets of Records identifying the inconsistencies .

Several month in process, the Water Commissioners requested a status update of the Audit, each time being told the hold up was related to the water department inconsistencies between the records Charlie provided and records obtained by the Town Treasurer. At no point was the Water Commission apprised of the records provided the auditor, treasurers records or the extent of inconsistencies. Charlie reiterated to those present that the Water Commission had contracted an independent certified accountant having extensive experience in Municipal accounting. Paul Brown, formerly the City Manager for the city of Newport, NH continues to reconcile the Water Works records. The intention is to establish a comprehensive record for the period of 2022 to 2024.

Charlie informed those in attendance that In January of 2025, the water department requested information regarding the status of the audit of the water department. Most significant of these questions was what Financial records were provided to the auditor, how were those records provided and “Who” provided them.

Representing the auditing company, Mr. Murray explained that he was contracted by the executive board, not the water department or other independent departments, and therefore he was obligated to communicate exclusively with the executive board. Able to speak freely Mr. Murray explained that he received Financial records of the water department through the previous billing agent, Shelly Henry. After ongoing discussion about financials from 2023 and 2024 it was determined that none of the information provided to the auditor was previously made available to the Water Commission. Charlie asserts that arguably, Shelly Henry intentionally withheld the Financial records from the Commissioners, until providing them to Vachon, Clukay Company, PC in response to the auditor's request.

Charlie discussed how year end calculations were reached for 2023 with no income records and how systems and records have been updated for 2024 and beyond. Charlie explained, The Water Commission never received copies of deposit records, payment receipts or financials of any kind for 2023. Shelly Henry abandoned her duties as tax collector mid-warrant pursuant to a Commitment Report having a close date of January 16<sup>th</sup> 2024. Mrs. Henry performed a year end closure on January 4<sup>th</sup> 2024 producing an MS61 tax report that she withheld from the Commissioners. Charlie stated, The treasurer can only produce records based on data reported to her. The treasurer reconcile bank statements and online review compared to reports of funds received from Shelly Henry. There were no copies of these records ever provided to the Water Commission. From those records received from Shelly, the treasurer creates her copies of financial records to reconcile with bank statements. Charlie asserts this method It is not an actual reconciliation of records. It is merely a comparison of records created for review. Charlie stated to Matt the 2023 funds remitted to the treasurer was grossly under stated in the MS61. **The 2023 MS61 does not depict an accurate accounting of revenues or receivables when reporting the year end, mid-warrant that was still open when the MS61 is produced. There is no way that accounting can be accurately shown as monthly when warrants remain unpaid and open and inaccurately reported.**

**The 2023 gross revenues reported to treasurer were approx. \$17,455 and 2024 gross revenues were recorded as \$105,909. Uncollected revenues reported for 2023 were \$767.00. Uncollected Revenues For 2024 reported uncollected was \$19,441. Total Gross revenues for 2024 were \$126,887.00 minus abatements. The total "unreported revenues" in 2023, reported by the Billing Agent, is under reported in excess of \$103,000.00 in water works revenues.** The question remains – where did the money go?

Mr. Murray went to his car to retrieve his laptop. Charlie provided him a flash drive. Matt copied more than 15 financial records he was provided by Shelly Henry that the Water Commission had never received in 2023 or all of 2024, even though Shelly Henry was no longer associated with the Water Department since January 4<sup>th</sup>, 2024. At no time prior to February 11<sup>th</sup>, did the Water Commission receive the records being audited.

The Water Commissioner thanked Matthew and the Selectmen for there attendance and productive participation in this meeting. The Commission needs to review the records provided and will discuss them at the March Commissioners meeting. The joint meeting concluded and Matt, Shaun and Rick departed the meeting.

### **Old Business -**

The Commission discussed the upcoming review of records due Hazen and Sawyer, the legal firm appointed to assist Hill Water Works in the Lead and Copper mitigation program. Charlie advised of engineering requirements to update PDF records sent to Hazen and Sawyer and D.E.S. In order to update these records, the Water Department requires Adobe Pro which has an annual subscription cost. Steven made a motion to purchase Adobe Pro for a year. Tony seconded and the motion passed unanimously.

Charlie explained the progress with the monthly billing cycle change and the benefits that will be provided. There will be monthly and year end accuracy. The board decided to provide a public statement of status of the ongoing internal audit and current financials at March's meeting. The Commission will announce plans for the Pump House update, 10th Mountain Rd. Line replacement plans and replacement of the depreciated fiber wall main line that parallels Murray Hill Rd.

Having no further business - Stephen made a motion to adjourn, Tony seconded and the motion passed unanimously. The meeting concluded at approx. 8:50 p.m.

Charles Estes  
Superintendent / Water Commissioner