

Memo

To: Town Council
From: Brian Wolcott *B. Wolcott*
Through: Tony Plante *T. Plante*
Date: 8/8/2017
Re: Liability Accounts with Carryover Balances

As part of the 2007 annual audit, Runyon Kersteen Ouellette noted that there were three liability accounts earmarked for specific purposes, whose balances carried over from year to year. These funds were not part of the budget, nor were they part of the annual budget approval process. At a minimum, it was felt that we should apprise the Council each year of the account balances, and reiterate the funds' purposes and funding sources.

These accounts are included as part of assigned fund balance for financial reporting purposes.

Town of Windham

Balances

<i>G/Ledger #</i>	<i>Account Name</i>	<i>June 30, 2016</i>	<i>June 30, 2017</i>	<i>Purpose & Funding Sources</i>
100-28301	Windham Human Services	112,935	140,290	These funds are used to provide foodstuffs to needy individuals and families. Funding is derived from many community sources.
100-24051	Federal Drug Seized Funds	32,627	13,350	See attached explanations for these three accounts.
100-24049	State Forfeited Funds	0	9,399	
100-24048	Seized Assets	0	11,704	
100-24050	DARE	36,943	25,661	The “DARE to Adventure” program is a substance abuse prevention program geared towards teens. It combines a school-based curriculum with experiential trips. Funding comes from donations and fund-raisers.

Note: In FY '17, at the request of the Police Chief, the Drug Seizures account (#100-24051) was segregated into three separate accounts for better tracking purposes.

Brian Wolcott

To: Kevin L. Schofield
Subject: RE: Drug seizures

1. **Seized Assets 1000-24048** is used when we seize suspects **illicit funds** or **lost money** turned into the police department, this avoids us the necessity to hold onto cash. When people either claim lost money or the court orders us to return money, we typically do that via a check from the account.
2. **State Forfeited Funds 1000-24049.** When the state court orders monies to be seized in a state court case those funds get deposited into that account. Procedurally the Town Council receives a letter and an order from the court and they must vote to accept the funds. There is current an order on an agenda in the near future for \$5,018.
3. **Federal Drug Seized Funds 1000-24051;** is used when the federal court system orders monies to be fortified in federal court (typically drug) cases. The federal system does not require a council vote and just does an electronic deposit.

By way of review we are required by the federal gov't BJA to annually report our federal funds (deposits, expenditure & interest) . When we comingled all of the above referenced fund into one account it made that reporting process more difficult, segregating the accounts has helped simplify the reporting process.

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