

**TOWN OF BELMONT
PERMANENT AUDIT COMMITTEE**

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TOWN CLERK
BELMONT, MA

Minutes: Wednesday, September 10, 2014, Town Hall Conference Room #1, 9:00AM
Present: Member Ernest E. Fay, Frank Caruso, James Finn, Robert Keefe, ex-officio
member Floyd Carman, ex-officio member Chitra Subramanian and ex-officio
Mark Paolilo
Other: Town's External Auditors: Richard Sullivan and Craig Peacock from Powers and
Sullivan

Chairman Fay called the meeting to order at 9:00AM.

Prelim Work

- Liz, and Craig spent the week of May 19th (FY2013 it was May 20th) in the field
- GOALS & Accomplishments
 - Planning
 - System documentation
 - Risk Assessment
 - Quality control planning documentation
 - Generate audit programs
 - Roll forward workpapers and reports
 - Confirmations - debt, legal, CH90
 - Read minutes
 - Follow up on PY management comments
 - Audit debt, Accrued Interest, Journal Entry Testing, Transaction Testing (revenue, expenditure, journal entry and payroll)
 - Tied out GF Budget
 - Performed single audit – Special Ed Cluster approx. \$735 k spent as of phase 1, total federal exp \$1.39 as of phase 1
 - Retirement System – Drafts issued 6/25/13, finals issued 9/9/14
 - Performed preliminary analytics
 - Recorded balances from Light Financial Statements
- Starting November 3 (PY 11.04.13). Plan two weeks to complete field work.
- Team = Fieldwork Craig Peacock, Liz Montes and Dan Rice
- Essentially same schedule as PY.
- GOALS
 - Clean up Prelim open items.
 - Walk down the balance sheet
 - Cash
 - Receivables
 - Fixed assets
 - Warrants payable
 - Significant accruals (compensated absences, OPEB)
 - Review legal responses
 - Finish reading minutes
 - Draft financial statements and notes
 - Draft single audit report
 - Draft management letter

- DELIVERABLES
 - Shoot for drafts the week of November 25th
 - Exit conference – Wednesday January 7, 2015
- NEW MATTERS
 - Major change is the implementation of GASB 65, various assets and liabilities will be re-named as deferred inflows and deferred outflows on the Statement of Net Position
 - Deferred charges on refunding

The meeting was adjourned at 10:00AM.

Respectfully submitted,

Floyd S. Carman