

TOWN OF BELMONT  
PERMANENT AUDIT COMMITTEE

2019 JUN 21 AM 11:13

Minutes: Wednesday, April 24, 2019 @ BMLD conference Room #1, 9:00AM  
Present: Members Robert Keefe, Robert Forrester, Frank Caruso, Ex-officio  
SelectBoard member Roy Epstein, Ex-Officio member Town Treasurer,  
Floyd Carman and Ex-officio member Town Accountant, Chitra V.  
Subramanian.  
Absent: Member Glenn Logan  
Also Present: James Goulet & Heather Isaacs from Goulet, Salvidio & Associates, CPAs  
Christopher Roy and Maria Makar Limanov from the Belmont Municipal  
Light Department.

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

James Goulet and Heather Isaac reviewed the 2018 Draft Financial Statements and Internal Control Report. Committee Members asked various questions which were responded to by Mr. Goulet and Ms. Isaacs and members of the BMLD.

Considerable discussion was held regarding the revenue and power costs, as described in the MD&A related to the Eversource meter issue and the usage of the Rate Stabilization Reserves to partially offset the cost impact. The MD&A disclosures were revised to clarify the 2018 effect. The financial statements were subsequently updated through May 8, 2019 to reflect various changes after discussion and review.

**Overall Results:**

- Unmodified Opinion
- Information received was accurate.
- Responses to audit inquiries were timely.
- Discussed required auditor communications
- No material control weakness but significant control deficiencies were noted as described below.

**Internal Control Comments**

As noted in prior years and as expected in the current year, the same internal control comment on the preparation of the financial statements and the related financial statement disclosures was reported for 2018 and is expected to be a recurring comment reflecting the small size and related staffing of the BMLD.

***Significant Accounts and Processes:***

- Accounts Receivable Collections – Belmont Light should evaluate the outstanding balance of protected customer accounts on a periodic basis to determine the appropriate action for collections

- Customer Liens Receivable – Belmont Light should reconcile customer account liens with the Town of Belmont on a periodic basis in order to track customer liens receivable accurately.

The comments on Accounts and Customer Liens Receivables are expected to be addressed by BMLD in 2019.

A copy of the BMLD financial statements for the year ended 2018 are on file with the Department.

The meeting was adjourned at 11:10 AM.

Respectfully submitted,

*Chitra V. Subramanian*

*Ex-Officio, Town Accountant*