

Town of Belmont
PERMANENT AUDIT COMMITTEE

Minutes: December 11, 2001

Present: John Foppiano, Henry Hall, Melvin Kleckner, Steve Szabo, Ernest Fay and Brock Romano and Mike Maschio from KPMG Peat Marwick LLP

Absent: Regina Herzlinger, William Monahan and Robert Rifkin

The meeting was called to order at 4:15PM by John Foppiano.

The Committee was organized with John Foppiano being elected as Chairman and Ernest Fay as Clerk. The minutes of the December 6, 2000 meeting was approved. This is the second year of a three-year contract (with an option for 2003 and 2004) with KPMG.

John Foppiano opened the meeting and discussion concerning the review of the Audit with our Auditors Mr. Romano and Mr. Maschio. A Copy of the Auditor's Agenda and Management Letter are on file with the Clerk. GASB Statement #34 – New Reporting Model will have to be implemented for FY03. The Town will have the benefit of the larger cities and towns Model that must be implemented in FY02. Some of the new items that will be shown are Full Accrual, Infrastructure/Fixed Assets, Long Term Liabilities and Net Program Costs.

The Town Treasurer's response to the Management Letter comment is as follows: Light Department's General Manager Tim McCarthy, Assistant Town Treasurer Daniela Boccia and I met with the Water Department's Office Manager Eileen White on November 27, 2001 regarding the using the Lock Box system at Century Bank for the Water Department Bill payments. The Committee was informed that the conversion was going slow and help was needed to accomplish this by the end of February. After discussion it was advised that the Committee would send a memo to the Board of Selectmen stating the problems. Although the ultimate goal was to have the bills the same design as the Light, Real Estate and Excise Tax Bills for several reasons. The main purpose was to get the Bills acceptable at the Lock Box. To this end the Treasurer's staff has been working with Century Bank and soon with Systems and Software to get this conversion off the ground and running by the February deadline. As this memo is also with the Board of Selectmen another memo from the Permanent Audit Committee is not needed.

Chairman Foppiano asked if the Auditors needed to speak with the Committee without the presence of the ex-officio members. The Auditors said that was not necessary.

The meeting was adjourned at 4:55PM.

Respectfully submitted,

Ernest E. Fay, Clerk

Approved at 12/17/02 meeting.