

**TOWN OF BELMONT
PERMANENT AUDIT COMMITTEE**

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Minutes: Wednesday, April 27, 2016, BMLD Conference Room 4, 9:00 AM
Present: Members Frank Caruso, Robert Forrester, Robert Keefe, ex-officio member Town Accountant Chitra Subramanian, ex-officio member Town Treasurer Floyd Carman and ex-officio member Selectmen Jim Williams
Absent: James Finn
Also Present: James Goulet and Heather Isaacs from Goulet, Salvidio & Associates, P.C.
Jim Palmer and Maria Klubnichkina from Belmont Municipal Light Department

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

James Goulet reviewed the 2015 Financial Statements and Internal Control Report for the BMLD. Committee Members asked various questions which were responded to by Mr. Goulet, Ms. Isaacs and members of the BMLD.

The Financial Statements were subsequently updated to reflect various changes after discussion at the meeting which included the Substation Project financing (notes 8, 9 and 10 on page 21/22).

Overall Results:

- Unmodified Opinion.
- Information received was accurate.
- Responses to audit inquiries were timely.
- No major internal control issues or material weaknesses.
- Discussed required communications.

Follow up items:

- A. Other Postemployment Benefits Obligation, \$3,569,045
 - A Light Board directive was given to Jim Palmer to transfer the OPEB monies into the Rate Stabilization Account.
 - Jim Goulet, BMLD outside CPA, at the 4/27/2016 PAC Meeting said this would have an expense charge offset.
 - The Committee suggested follow up discussion should take place with the Light Board and Jim Palmer at the next Light Board meeting on 5/23/2016.
- B. Compensated Absences
 - Chitra to follow up with Craig Peacock, Powers and Sullivan on the issue from a total Town perspective.

Subsequent Event:

Draft motion language from 5/23/16 Municipal Light Board Meeting.

Mark Paolillo moved to suspend the vote taken at the April 25, 2016 meeting to transfer Belmont Light's OPEB funds to the Rate Stabilization Fund until the Board receives additional information on a 2008 Light Board decision on OPEB funds. Sami Baghdady seconded and the motion was approved with a vote of all in favor (3-0).

Copy of the Belmont Light Financial Statements for 2015 and 2014 is on file with the Light Department

The meeting was adjourned at 11:15 a.m.

Respectfully submitted,

Floyd S Carman