

**TOWN OF BELMONT
PERMANENT AUDIT COMMITTEE**

MINUTES, JUNE 14, 2004

Frank Caruso, Ernest Fay, Henry Hall and Ex-Officio Member Will Brownsberger represented the Permanent Audit Committee (PAC). Also present from the Belmont Municipal Light Board (BMLB) were Anne Marie S. Mahoney (Chair), Paul Solomon, General Manager Timothy McCarthy, Staff Accountant Christine Frizzell. James Goulet, Partner of Goulet, Salvidio & Associates, and P.C. also attended the meeting.

Permanent Audit Committee members Robert Keefe and Ex-Officio Members Susan Kendall Freiner and Barbara Hagg were absent.

The meeting was called to order by Chair Anne Marie S. Mahoney at 6:30 P.M.

Mr. Goulet presented the financial statements for the Belmont Municipal Light Department for December 31, 2003 and 2002. A summary of the report follows:

1. Net Assets (pages 2-7) increased \$370,510 or 4.2%.
2. Operating Revenues (page 8) increased \$485,150 or 4.1%.
3. Operating Expenses (page 8) increased \$6,210 or .005%.
4. Operating Income (page 8) increased \$478,400 or 86.81%.
5. Transfers Out-Payment in Lieu of Taxes (page 8) increased \$100,000 or 18.18%.
6. Cash and Cash Equivalents-Ending (pages 9-10) increased \$648,571 or 21.22%.
7. Note 2 – Accounts Receivable-Customers, Net (page 13) decreased \$57,184 or 7.4%.
8. Note 13 – Pension Plan (Pages 16-17) decreased \$43,451 or 11.7%.

Mr. Caruso asked if the books and records supporting the financial statements were detailed and accurate, and if there were any items of concern.

Mr. Goulet answered that the books and records were in very good order and was complementary of the financial manager. He found no area that was of concern.

Mr. Fay asked if there were any accounting or other irregularities that the PAC or BMLB should be aware of. Mr. Goulet answered no.

Mr. Goulet was informed that the PAC was requesting a pre-audit meeting with his firm next fall to be informed of any new accounting procedures or other items that were to be included in the next audit. Mr. Goulet said he would schedule a meeting for late September or early October.

Mr. McCarthy and Mr. Goulet were asked about the duration of this contract. Mr. McCarthy said it is a year-by-year contract. Mr. McCarthy also stated that Goulet, Salvidio & Associates, P.C. handle many municipal light department audits throughout Massachusetts.

The meeting adjourned at 6:50 P.M.

Respectfully submitted,

Ernest E. Fay
Chair