

Belmont Municipal Light Department and
Permanent Audit Committee

Meeting May 17, 2010

Present:

(PAC) Ernest Fay, Robert Keefe, Ex-officio Ralph Jones, Floyd Carman.

(BMLD) Timothy Richardson, Kristina Frizzell and John Dunleavy

(BMLD Advisory Board) Robert Forrester

(Auditors) Goulet, Salvidio & Associates, P.C. – Jim Goulet and Lori Ensom

Absent: Henry Hall (who resigned from PAC), Frank Caruso, and Barbara Hagg

The purpose of the meeting was to review the results of the audit of the BMLD for the year ended December 31, 2009.

The meeting was called to order by PAC Chair Ernest Fay at 5:00 P.M.

Jim Goulet presented his report which covered the required communications for the audit and stated that the audit report was an unqualified opinion. The report is summarized below:

- Net Assets increased \$501,127 or 4.13% over 2009.
- Liabilities decreased 1.7% to \$4.8 million in 2009.
- Kilowatt hours sold decreased by 2% (126 million in 2008 compared with 123 million in 2009).
- Top twenty kilowatt hour customers generated 15% of revenue.
- Depreciation rate remained at 5%.
- Debt at year end was \$120,000, a reduction of \$260,000 from 2008.
- The BMLD will welcome Cogsdale (a software system) in 2010 which will allow online bill payment, and then time of use billing in 2011.
- Revenues were in excess of expenses by \$1,147,545 in 2009, an increase of \$36,000 from 2008.
- Revenues from the sale of electricity decreased by 4%.

A copy of the Annual Report may be found on the Light Department's web site.

The committee asked various questions regarding the results of the audit as related to the financial statements of the Light Department which were responded to by the Auditors and Light Department Management.

The meeting was adjourned at 6:15 P.M.

Respectfully submitted,

Ernest E. Fay, Chair