

Longmeadow Audit Committee

Minutes of August 13, 2018 Meeting

Adopted at September 27, 2018 Meeting

Members Present: Ernest Welker, Chairman; Katie Petrakis, Vice-Chair; Pete Landon, Matt Schoen - Clerk

Members Absent: none

Others Present: Paul Pasterczyk, Town Finance Director

Meeting called to order by Chairman Welker at 5:35 P.M.

Prior Minutes

Minutes of July 18, 2018 meeting were adopted unanimously with minor grammatical changes.

Discussion on FY19 Audit Committee Work Plan

The committee continued discussion of the current year's focus on the Town's IT Department risk management plan. Mr. Pasterczyk requested the IT Department's response to the external auditor information request regarding Information Technology General Controls (ITGCs). He has not yet received the response document from the IT department, but will provide it when it becomes available. Mr. Pasterczyk reported that the town's IT Advisory Board has no members and is nonexistent. The Audit Committee will revisit the issue upon receipt of the IT department's response.

The Audit Committee discussed the need for an executive session with the external auditor without the presence of town employees.

Subcommittee Assignments

- Mr. Welker will take the lead on the Town's Bond rating.
- Ms. Petrakis will lead the Audit Committee's review of Quarterly Investment Reports and the Finance Director's Corrective Action Reports.
- Mr. Welker and Mr. Schoen will review the Lower Pioneer Valley Educational Collaborative financial reports and compliance activity. Mr. Welker and Mr. Schoen will also review Moody's methodology and reports.
- Mr. Landon will review the Hampden County Regional Board of Retirement's pension liability and any disclosures of unfunded liability. Mr. Landon will also monitor the continued improvement of the Town's Comprehensive Annual Financial Report statistical series.

Audit Committee Status

The Audit Committee continued to discuss the Charter Committee's activities specific to the status of the Audit Committee. Mr. Welker noted that the Select Board has been provided the GFOA's best practices document noting the need for an independent audit committee. Mr. Schoen discussed the Massachusetts Attorney General's guidance on municipal audit committees. Mr. Pasterczyk suggested that the functions of the Audit Committee could be accomplished more efficiently within the Finance Committee. Mr. Landon suggested waiting for the recommendations from the Charter Committee before acting.

Mr. Welker proposed that the next Audit Committee meeting date be scheduled for late September.
The meeting was adjourned at 6:56 p.m.

Respectfully Submitted,
Matthew Schoen
Clerk