

Longmeadow Audit Committee

Minutes of January 14, 2021 meeting

Adopted at the June 22, 2021 Meeting

Members Present: Andre Greco, Pete Landon, PJ Nassar, Chris Sceery, Matthew Schoen
Members Absent: none
Others Present: Paul Pasterczyk, Town Finance Director; Tanya Campbell, Melanson Heath

Meeting called to order by Chairman Landon at 6:00 P.M. This meeting was conducted via teleconference.

Introduction

Mr. Greco was formally introduced as the newest member of the Audit Committee.

Prior Minutes

Mr. Schoen moved that the minutes of the November 4, 2020 meeting be adopted as amended. The November 4, 2020 minutes were adopted unanimously as amended, Mr. Greco abstained.

Review of Town 2020 FY Audit/CAFR

Ms. Campbell shared a presentation outlining the differences in the responsibilities of the auditors versus Management versus the Audit Committee.

Ms. Campbell then proceeded to discuss the FY 2020 CAFR. First, Ms. Campbell pointed out there was still an actuarial piece outstanding to complete the Retirement Board/OPEB portion of the audit.

Ms. Campbell then moved into highlighting a few different CAFR components. First was the Unassigned Fund Balance of \$8.2M almost split equally between the Stabilization Fund and the General Fund Unreserved. Of that there was \$2.5M of Certified Free Cash.

Next was the fact that the Net OPEB Liability decreased from the prior year, driven by the fact that the discount rate increased by transferring the funds to the State Retirement Board.

In regard to the Management letter, Ms. Campbell informed the committee that there were no material weaknesses or significant deficiencies noted during the course of the audit. There were four issues noted that the Town should review:

1. Review procedures in the Recreation Department
2. Re-Evaluate Town bonding insurance
3. Periodically send letters to local banks to find any orphaned bank accounts opened with the Town's EIN (school scholarship, "friends of" or volunteer organizations)
4. Record budgeted amounts for transfers

The Committee than voted unanimously to recommend that the Select Board accept the Audited Financial Statements.

The meeting was adjourned by Chairman Landon at 7:15 P.M.

Respectfully Submitted,
Chris Sceery
Clerk