

Town of Wellesley, Massachusetts

Audit Committee
Minutes of Meeting held at 9:30 am, Nov. 24, 2015
Wellesley Town Hall

In attendance: Jack Haley (Chairman), Larry Petzing, Joe Tierney, Phil Laughlin and Peter Cory (Members). In addition, Town Officials Hans Larsen, Sheryl Strother and Marc Waldman were in attendance, along with Michael Nelligan and James Powers in the firm of Powers & Sullivan, LLC which is retained to perform the Audit of Town financial statements. Also, Dr. David Lussier, Superintendent of Schools, Ms. Judy Belliveau, Assistant Superintendent, Finance and Operations, Ms. Heidi Perkins, Director of Budget and Finance, Wellesley Public Schools were in attendance.

Mr. Haley called the meeting to order. Mr. Haley opened the Citizen Speak portion of the meeting and noted that there were no citizens who sought to speak.

Mr. Haley took up the matter of approving the minutes from the Audit Committee meeting of Sept. 15, 2015. A motion to approve was made and the Committee unanimously approved the minutes.

Mr. Haley asked Powers & Sullivan to provide an update on the status of the Audit of the Town's financials. Powers & Sullivan noted their audit review was complete, that all mandatory reports for the Town were complete and that they had not observed any significant matters during the course of their review. The Town's CAFR (Comprehensive Annual Financial Report) was distributed and discussion ensued. This will be finalized by mid-December. Powers & Sullivan noted that the CAFR reflects the application of new accounting standards (GASB 67, 68 and 71) regarding pension liabilities. Similar revisions will be incorporated in the future regarding OPEB (Other Post-Employment Benefits) liabilities.

Mr. Haley welcomed the representatives of the Schools. They discussed the continuing efforts to update internal processes regarding accounting and internal controls in the Business Office. Powers & Sullivan noted significant progress resulting from adding additional personnel to these efforts and from the continuing effort to implement the recommendations made in the Rosselli & Clark report. The Committee expressed appreciation to the representative of the Schools for committing to these steps and for providing the update. Powers & Sullivan noted that the FY 14 Significant Deficiency had been remediated. Mr. Haley observed that the Business Office should periodically review and re-prioritize the next set of objectives to implement, depending on recent developments.

Powers & Sullivan distributed drafts the Management Report, discussion ensued. This will be finalized to include comments from the departments mentioned in the Report. Mr. Haley conferred with Mr. Larsen and set a date of December 14, 2015 for the Committee to meet briefly and then to present a report from the Audit Committee to the Board of Selectman. The matter of the retention of Powers & Sullivan for the Fiscal Year 2016 Audit will be considered at that Audit Committee meeting.

A motion was made to approve the FY 15 Audit Report for the Town of Wellesley pending inclusion of updates for matters discussed at the meeting, which was seconded and approved unanimously.

Mr. Haley opened the floor for the Citizens Speak portion of the meeting, and noted that no one was in attendance who wanted to address the Committee.

Mr. Haley adjourned the meeting.