

Minutes of Longmeadow Town Audit Committee  
9/26/06  
Longmeadow Fire Department Conference Room  
APPROVED 10/2/06

Members Present: Paul Adornato – Acting Chair, Ernest Welker, Larry Eagan, Dave Kowarsky – Associate. Absent: Pete Landon. Guests: Town residents Roger Wojcik, Joe Occhiuti, Dean Rogeness.

The meeting was called to order at 7:10 PM by Paul Adornato, who appointed Larry Eagan to take minutes.

1. A motion was made and approved to accept the minutes of the August 24, 2006 meeting.
2. Dean Rogeness, Roger Wojcik and Joe Occhiuti, who earlier asked to have their topic on the agenda, explained the purpose of the Citizen Petition for Warrant Article November 2006 Special Town Meeting to the audit committee. Dean Rogeness distributed copies of the warrant, stating it already had 126 signatures, more than the required 100 to qualify as a citizen initiated warrant article, and commented on its need in order to eliminate a potential conflict of interest in the hiring of, and management of the relationship with, the Town's external auditor. Among the points he made were the following:

Neither the Town Charter nor its by-laws speak to how the external auditor is to be hired and directly reports to. In the absence of such, the Town Manager apparently has the authority by virtue of the powers and duties stated in the Charter. The external auditor's job necessarily involves, at times, critical comments on actions by town management. When having to report to town management, the auditor faces a conflict of interest: On the one hand his role is to be critical; on the other his business interest is to keep the account and thus not anger the person who hires the auditor. The proposed by-law revision specifies that the Select Board has authority for the hiring of, and management of the relationship with, the external auditor, taking into account the advice of the Audit Committee. This better assures the independence and credibility of the external auditor's reports work.

Mr. Rogeness also made the point that since we are currently in bid process for an auditor for the current fiscal year (running from July 1, 2006 to June 30, 2007) the Town technically does not have an outside auditor to consult with regarding matters related to this year. To eliminate this type of situation, the proposed by-law revision specifies that in the future an auditor is to be retained before the beginning of the first day of the fiscal year to which the contract applies.

Mr. Rogeness said that this warrant is compatible with the new town charter.

The intent of the warrant was summarized by Mr. Wojcik as “a good step forward, provides a higher degree of credibility, integrity, and independence between the auditor and management of the town.”

The guests elected to leave the meeting after their presentation.

3. Members discussed the warrant article and unanimously approved the following motion: The Audit Committee supports the article because it places responsibility for the external auditor with the Select Board thus eliminating any conflict of interest between town management and external auditor.

4. Mr. Adornato handed out a proposed list of topics to be taken up with TM Robin Crosbie and SB-member Kathy Grady at the AC meeting on October 2, 2006. A discussion followed on the preparations for this meeting. The committee agreed on the topics to be raised.

The meeting was adjourned at 8:41 PM.

Submitted,  
Larry Eagan

Next Meeting: October 2<sup>nd</sup>, 2006 at 7:00 PM  
Longmeadow Police Conference Room