

Longmeadow Audit Committee

Minutes of June 30, 2020

Adopted at the November 4, 2020 Meeting

Members Present: Pete Landon, Chris Sceery, Matthew Schoen, PJ Nassar

Members Absent:

Others Present: Paul Pasterczyk, Town Finance Director; Tanya Campbell, Melanson Heath

Meeting called to order by Chairman Landon at 5:45 P.M. This meeting was conducted via teleconference.

Prior Minutes

Mr. Landon moved that the minutes of the November 17, 2019 meeting be adopted as amended. The November 17, 2019 minutes were adopted unanimously as amended.

Reorganization

The audit committee reorganized with the following assignments. Pete Landon – Chair, Matthew Schoen – Vice Chair, Chris Sceery – Clerk. The position assignments were adopted unanimously.

Tax Ceiling

Mr. Pasterczyk reported that Article 14 was voted down at the June 23, 2020 town meeting. The tax ceiling task force will need to reconvene to discuss how to move forward. Mr. Pasterczyk noted that the impact of COVID 19 on town revenues led the Select Board to reduce the budget by approximately \$800,000 in expenditures. Longmeadow's S&P bond rating was largely unaffected by the epidemic because ~ 80% of the town's revenue is based on real estate taxes, which have yet to be affected by the epidemic.

Town Audit Report

Ms. Campbell outlined the audit process for this fiscal year. Melanson Heath is still adapting their field work procedures to accommodate necessary changes due to the epidemic. She stated that the town's current construction projects and bidding procedures would be reviewed in the upcoming audit. Mr. Pasterczyk noted that an additional \$1.3 million was funded with a new bond in May to provide funding for the DPW construction project. He also noted that change orders have been made in the ongoing Senior Center construction project. Mr. Pasterczyk pointed out that change orders approved by the Select Board can sometimes be put through their contracts many months after approval.

Ms. Campbell stated that implementation of the GASB 84 standard has been delayed by Governmental Accounting Standards Board and will not be utilized in this year's audit.

Mr. Pasterczyk reviewed the FY 18 Audit Correction Report for the committee.

Bonding

Mr. Landon observed that the S&P bond rating report compared favorably to the prior report from Moody's. Mr. Pasterczyk reported that the town refinanced some existing debt related to the high school construction at a lower interest rate, resulting in \$172,000 savings annually.

Mr. Schoen moved to adjourn the meeting. Mr. Sceery seconded the motion. The motion carried unanimously, and the meeting was adjourned by Chairman Landon at 6:34 P.M.

Respectfully Submitted,
Chris Sceery
Clerk