

Approved Minutes March 12,2013
Town of Wayland
Audit Committee

Date: March 12, 2013

Time of Meeting: 7:00 PM

Place of Meeting: Wayland Town Building, School Comm. Room

Members Present: Tony Boschetto, Ben Downs, Chris Riley and Chris Cullen

Call to order – 7:00

- Ben Downs assigned as minute taker.
- Public comment-
 - Kent George sent an email he asked be read and included as part of the public comment (see attached).
- Reviewed Minutes from January 28, 2013, accepted as amended. Vote 4-0
 - Open items will be covered as they come up on the agenda
- School audit phase 2 our role at this point is to respond to questions from Auditors preparing a submission to the School Committee RFP. Chris Riley received two calls from different firms, answered one question and referred the other caller to Geoff MacDonald
 - Audit Committee role for the remainder of Phase 2 is to review and rank RFP submissions and provide support to selected audit/consulting firm.
- Update from public hearing on phase 1 of the school audit.
 - The hearing was not recorded
 - School Committee minutes are available for review
 - Description of audit from Powers and Sullivan describes an extensive process that may prove to be quite costly
- Discussion of Audit Committee member's individual public statements. The following guideline was moved and passed, vote 4-0

Each member of the Audit Committee will treat all colleagues on the Committee with respect, despite differences of opinion on matters of policy, always remembering that respectful debate does not preclude honest differences of opinion. Audit Committee members will exercise care to clearly state in any individual statements on topics that relate to the Audit Committee that the opinion is that of the individual member and not representative of the Committee.

- Correspondence.
 - Ms Fletcher confirmed that she followed up with Ms. Bouchard on the items she had raised in our 1/28/13 meeting and believed they had been addressed.
 - Ms. Bouchard asked us to confirm the employee insurance withholding reconciliation had been performed as requested.
 - Mr. Turkington confirmed it had been performed and was included in the final version of the Audit. Tony Boschetto feels the procedure we requested may not have been understood and therefore may not have occurred. The following motion was made and approved. Vote 4-0.

Based on public comment and correspondence received by our committee during our meeting on March 12, 2013 relating to the employee insurance withholding reconciliation performed during the FY12 audit and potential variances identified in the budgeting process we believe it is necessary to review the schedules produced by Melanson & Heath and a brief description of the procedures employed while performing this reconciliation.

- Outstanding Open items to be covered after Town Meeting
 - Follow up with Finance Director and Town Administrator on FY12 audit and management recommendations.
 - Follow up with Finance Director and Town Administrator on CAFR discussion.
- Agenda for next meeting – Date –TBD
 - Review and rank SC audit phase 2 responses
 - Health insurance reconciliation update.
 - Other
- Motion to adjourn – 8:00 approved. Vote 4-0.

Attachments - Correspondence - Mr. George; Ms. Fletcher; Ms Bouchard; Mr. Turkington. Public Comment disclosure/guideline

Chris Riley

From: gcriley@comcast.net
Sent: Tuesday, March 12, 2013 4:20 PM
To: Chris Riley
Subject: Fwd: Audit Committee Public Comment.....

From: "Kent George" <kentgsr63@gmail.com>
To: GCRiley@comcast.net
Sent: Tuesday, March 12, 2013 3:08:33 PM
Subject: Audit Committee Public Comment.....

Chris Riley, Chairman, Wayland Audit Committee:

I would like this email to be considered as public comment for your meeting tonight and read into the record as if I were present and making public comment. I had knee replacement surgery a couple of weeks ago and am still restricted in my movements so I cannot attend the meeting in person.

I understand that John Senchysyn met with the Finance Committee last night and brought to their attention that somehow Employee Insurance Expense in FY12 (line 32b) was overstated on the books of the town (maybe in the range of \$700,000 or more??).

My question of this committee is about the outside audit now published for FY12. I believe I recall that this Committee raised an issue about reconciling Insurance Expense with the auditors during your review of their report? Did you ever get an answer?

Thank you,

Kent

--

Kent E. George
15 Indian Dawn
Wayland, MA 01778
508-740-8997
KentGSr63@gmail.com

From: gcriley@comcast.net
To: [Chris Riley](#)
Subject: Fwd: Annual Audit Report Inquiry
Date: Tuesday, March 05, 2013 8:27:53 PM

From: "Donna Bouchard" <donnabouchard@lfusa.com>
To: billsteinberg55@gmail.com, "Bill Steinberg (bills@saxeinvestments.com)" <bills@saxeinvestments.com>, gcriley@comcast.net
Sent: Thursday, January 31, 2013 2:41:38 PM
Subject: Annual Audit Report Inquiry

Hi Bill and Chris,

I was at the Finance Committee meeting on Monday night and Gordon Cliff spoke about the annual audit on behalf of the Audit Committee. Tom Greenaway mentioned something about the annual audit report still being a draft and he was corrected; the annual audit report from Melanson & Heath is now final.

A few weeks earlier at the Board of Selectmen's meeting, Chris appeared before the Board to speak about the report. He mentioned that the Audit Committee had not finished with the report yet because the employee withholdings testing was still outstanding. I wasn't aware that the testing had been completed and therefore I tried to ask a question the other night at the FinCom meeting to understand if the audit report is indeed still a draft, pending completion of the testing on the employee withholdings. I wasn't able to ask my question so thanks for your help to please let me know the status of the audit report as well as the status of the testing of the employee withholdings.

Best regards,
Donna

From: gcriley@comcast.net
To: [Chris Riley](#)
Subject: Fwd: review of healthcare premium payments
Date: Tuesday, March 05, 2013 8:26:32 PM

From: "Frederic Turkington" <fturkington@wayland.ma.us>
To: gcriley@comcast.net
Cc: "John Bladon" <jb.snowtree@verizon.net>
Sent: Wednesday, February 6, 2013 4:00:34 PM
Subject: RE: review of healthcare premium payments

The work was performed and is included in the last version of the audit. It was also noted in the recommendations to management.

From: gcriley@comcast.net [<mailto:gcriley@comcast.net>]
Sent: Wednesday, February 06, 2013 3:47 PM
To: Turkington, Frederic
Cc: John Bladon
Subject: review of healthcare premium payments

Fred,

Please inform my committee if Melanson Heath performed the review that the Finance Committee and the Audit Committee recommended last fall and the results of that review.

Thanks,,

Chris Riley

John and Bill,

At our 9/10/12 meeting, the Audit Committee voted unanimously to agree with the Finance Committee request:

"recommending that the Town Auditor include a review of the accounting for these premium payments (employee and Town payments for health insurance premiums to West Suburban Health Group) on their annual audit of the Town's finances. There are a couple of reasons why we think this would be an appropriate portion of their audit: a) we want to make certain that the correct amounts were paid by both the Town and by the employees; and b) we think that the Town should make certain that the accounting going forward is clear and precise such that we can all understand how these payments for health insurance premiums are being made."

Please keep us informed of the status of this recommendation.

Sincerely,

Chris Riley
Chair-Audit Committee