



# Town of Wayland Massachusetts

## **Audit Committee**

Yutian Zhang  
Klaus Shigley  
Samantha Shullo (Chair)  
Randi Sterrn  
Michael German

**AUDIT COMMITTEE  
Draft Minutes  
Monday, February 12, 2024  
Via Zoom -5:00 P.M.**

**Attendance:** Samantha Shullo, Klaus Shigley, Randi Sterrn, Michael German, Yutian Zhang, Brian Keveny (Finance Director for the Town of Wayland)

**Call to Order:** The meeting was called to order at 5:02 PM. Mr. German was assigned to take minutes.

**Review Agenda for Public:** S. Shullo reviewed the agenda for the public. The focus of the meeting was to review and prepare a response to the FY 23 Management Letter (ML).

**Announcements:** None.

**Public Comment:** Ms. Shullo noted there were no members of the public present to comment.

### **Review the ML from the town with Brian Keveny:**

The discussion began by addressing prior year recommendations:

1. Re-Establish Timely Cash Reconciliations

Ms. Shullo acknowledged the substantial progress achieved, a sentiment echoed by Mr. Shigley, who emphasized that the previous issues were no longer an area of concern. Mr. Keveny expanded on the developments, clarifying that the sole remaining unreconciled cash variance, amounting to less than \$1,000, stemmed from checks associated with the Student Activity Funds account. This account includes checks related to school field trips, which are not accurately reported in MUNIS. Nonetheless, there has been a significant improvement in reconciling the unresolved items.

The discussion shifted to the second prior year recommendation:

2. Reconcile Guaranteed Deposits Account to Detailed List

Mr. Shigley questioned the feasibility of meeting the June 30, 2024, deadline. Mr. Keveny responded by outlining current challenges. Of the \$673,516 balance in the Guaranteed Deposits account, there are four departments that must disperse these funds. The Conservation Department, with approximately \$320,000, has made progress in identifying significant deposits and is actively reaching out to individuals for reimbursement. Similarly, the Board of Health, with around \$60,000, is engaged in a similar process of contacting individuals. However, the Planning Board and Building Department are significantly behind in their reconciliation efforts. Mr. Keveny highlighted the presence of two new department heads without comprehensive insights into past department endeavors. He indicated that the Town is hiring a temporary worker to assist in the reconciliation efforts.

Mr. Shigley raised concerns regarding the attainability of the reconciliation process. Mr. Keveny elaborated that routine meetings are scheduled to address these issues. Additionally, he noted that a large amount of information should be contained in prior years' meeting minutes.

Ms. Shullo revisited the question of whether meeting the June 30, 2024, deadline was feasible, prompting Mr. Keveny to confirm its viability. Expanding on the discussion, he drew attention to the possibility of a residual pool of unclaimed funds, proposing that, should this situation arise, the Town Counsel would be consulted to determine the appropriate course of action.

The discussion concluded with the current year's recommendation:

3. Prepare for Governmental Accounting Standard Board (GASB) Statement Number 101

Mr. Keveny elaborated on the ongoing efforts to implement new GASB requirements, emphasizing the Town's accumulated experience in navigating through this process. He highlighted the varying degrees of complexity involved, noting that while some adjustments prove relatively straightforward, others present more significant challenges.

**Prepare Response to the ML:**

Mr. Shigley volunteered to compose an initial draft of the Audit Committee's *Annual Report to the Select Board*. This report will encompass key elements discussed during the ML Review conducted with Mr. Keveny. Additionally, Ms. Shullo emphasized the importance of featuring the status of Guaranteed Deposits in the report. She mentioned the necessity of describing the steps to be taken if unclaimed funds persist.

Mr. Shigley recalled that in the preceding year, the Audit Committee advised the Town Manager to provide an overview of the investment policies and procedures to the Select Board and/or the Audit Committee. The objective was to ensure that Town funds align with established policies and adhere to Massachusetts laws. To maintain this alignment in the current year, Mr. Shigley suggested that the Audit Committee engage in a discussion with the Town Treasurer to verify the appropriate investment of funds. This necessitates the Audit Committee scheduling another meeting to convene with the Town Treasurer and to review Mr. Shigley's draft of the report.

It should also be noted that the *Annual Report* will typically confirm that the Committee's written feedback on the draft ACFR was "materially accommodated" into the document's final version. Both Mr. Shigley and Mr. German reiterated that their respective written feedback on the draft ACFR was considered and incorporated into the finalized ACFR.

**Review Current Charge for the Audit Committee:**

The primary function of the Audit Committee is advisory. During the discussion, Ms. Stern, Ms. Shullo, and Mr. Shigley explored various strategies to enhance the reception and implementation of the committee's advice.

**Approve minutes of the January 22, 2024, AC Meeting:**

There were no changes noted. Ms. Shullo motioned to approve. Mr. Shigley seconded. Motion passed. Vote 5-0.

**Members' Reports, Concerns, and Topics:** There was a brief discussion of creating an Audit Committee contact directory to communicate more effectively.

**Topics Not Reasonably Anticipated by the Chair 48 Hours Prior to Posting:** N/A

**Adjourn:** Mr. Shigley motioned to adjourn. Ms. Shullo seconded. Motion passed. Vote 5-0. Meeting adjourned at 5:57 PM.

Respectfully Submitted,

Michael German

**Attachments:**

Approved Minutes of the January 22, 2024, meeting  
Draft FY 23 ML