

TOWN OF LEE, MASSACHUSETTS

MANAGEMENT LETTER

June 30, 2015

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Adelson & Company PC

CERTIFIED PUBLIC ACCOUNTANTS

Established 1938

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To the Board of Selectmen
Town of Lee, Massachusetts

Dear Members of the Board of Selectmen:

In connection with our audit of the financial statements of the Town of Lee, Massachusetts as of June 30, 2015, we have made a review of the Town's accounting procedures and internal control. While the primary objective of such a review is to afford us a basis of determining the scope of our audit procedures, it nevertheless presents us with an opportunity to submit, for the Town's consideration, suggestions for changes in procedures, which in our opinion, would strengthen internal control or contribute to the improvement of operating efficiency.

The comments and recommendations in this letter are based upon observations made in the course of such review. The review was not designed for the purposes of expressing an opinion on internal accounting control, and it would not necessarily disclose all weaknesses in the system.

Please indicate in the "Action Taken" space of the letter, what corrective measures the Town intends to implement with regard to each recommendation, which will be part of the final letter. After you have had an opportunity to consider our comments and recommendations, we shall be pleased to discuss them further with you.

We would like to express our thanks and appreciation to the Town and its personnel for the cooperation given us during the course of our examination.

Sincerely yours,

Adelson & Company PC

ADELSON & COMPANY PC
 Pittsfield, MA

January 18, 2016

Comments and Recommendations

There were no comments and recommendations for the fiscal year ended June 30, 2015.

Status of Prior Year Recommendations

1. During fiscal year 2015, \$433,154 of the Town's Ambulance Department accounts receivables were written off as uncollectible. Beginning in fiscal year 2016, the Town's billing and collections service provider over Ambulance fees will provide a listing of accounts deemed uncollectible every six months, and amounts to be written off will be evaluated by the Town at that time.
2. The Town is properly documenting the Federal I-9 Employment Eligibility Verification forms for employees of the Town.
3. The Town implemented the provisions of GASB Statement No. 68 *Accounting and Financial Reporting for Pensions* during fiscal year 2015. Accordingly, the Town reported its share of the Berkshire County Retirement Systems net pension liability and required note disclosures.