Resident Submission by Jock McCown

I have some policy questions and a number of broader questions related to the 2025 financial statements on tonight's agenda. My hope is that either the board or the auditors will address these during the presentation.

1. The 2025 audit is being released tonight but the 2025 regulatory financials were filed with the Comptroller three months ago. Your pattern in previous years was to only file the regulatory statements after you had the audit. Why the difference this year?
2. In each of the last five years when the auditors presented the financials, the actual financial statements were available to residents prior to the meeting. That was not the case this time. Residents and perhaps even some board members will be getting a glimpse of the financials for the first time in the auditor's deck. Why weren't the financials made available earlier? Aren't they more relevant in terms of prior review than anything in the 99-page backup to tonight's agenda? Wouldn't it have been nice to have the financials actually available prior to approving a new $1 million bond resolution?
3. The regulatory filing shows a $125,000 auditor fee expense for 2025. That comes after a $70,000 expense for 2024. Those average annual costs are 2.9 times the auditor fee expense of $34,000 in 2018. Isn't the $195,000 expense these past two years at least $100,000 more than it would have been if there were no delays? What is our auditor fee expense run rate going forward? Nearby Bedford with three times as much revenue uses the same auditor and its auditor fee expense in each of the last two years was $54,000. Shouldn't we be well below that?
4. The board is well aware of my outstanding questions related to documentation on interest income included in the 2024 audit. I now have the same questions for 2025 based on the regulatory filing showing $433,000 of actual interest income, or more than three times the $135,000 budget. There is a similar difference in another comparison to nearby Bedford. Bedford's audits show its average 2025 cash balance was 6.2 times our town, yet their total interest income was barely twice ours. How is it that our yield on cash balances is almost three times Bedford's?

Thank you.