



Finance Committee

Meeting Minutes

August 8, 2012

Meeting convened at 11 30 AM

present were Board chair, Tom Donegan, Doug Cliggott., Tim Grobleski, Clarence Walker, Mike Canizales, and Duane Steele

Public statements were taken, and Mary Jo Avellar spoke and discussed members of the Finance Committee attending the upcoming 2013 Mass Municipal Trade Show on Jan 13th in Boston. She asked about possible funding, and urged Fin Com members to attend.

Finance Director Dan Hoort and Town Manager Sharon Lynn were also in attendance. . A packet of information with guidelines from the State Atty General's office, including information on the Open Meeting law, a copy of the town charter, and general town by laws was distributed to each Finance Committee member. There was policy goal sheet provided by Duane Steele

Members led by chair Tom Donegan expressed concern over not receiving information as they requested it, in particular, the Paving report. When a previous request was made of Board of the selectmen chair, Austin Knight, he released the information to the newspaper before acceding to the Fin Committee's request. Assurances are made by the Town Manager that all the information is public, and there should never be a problem.

The general discussion is that without the paving documents, the Fin Committee cannot act on any issues.

Dan Hoort presented a spreadsheet for Capital Improvement Projects. He suggests a master plan for Capital improvement requests.

Discussion of how to pay for Capital Improvements ensues. Three ways are free cash, debt exclusion and override. We usually do smaller requests from free cash, and try to minimize the number of overrides necessary on ballot .For the last 6 years we have not been able to budget for Capital improvements. We have been using the 25% of the room occupancy tax reserved for this, and parking is often able to pay for itself. Dan Hoort says that Capital requests are not hard numbers, but are dependent on input from Department heads, the Selectmen, other boards, and often Fin Comm. When Department heads present their budget to the Selectmen, and Town manager, their requests are discussed as to which is most urgent, and which can wait and for how long. Dan Hoort is using a form borrowed from Natick, which will help us standardize, and

prioritize. 19:52

On the discussion of unfunded liabilities. Retired employee's pensions and health insurance are part of the unfunded liabilities. M C suggests ways to make them a known entity. and ways to fund them. Strategies were discusses to fund OPED There is discussion regarding help from the state, and both the TM and FD feel that their help is likely., MC suggests that the worst case would be to have this thrust on us without preparation. We have paid \$55 thousand dollars toward UL We have also saved money returned from health insurance funds from actuarial study which is done every two years. .Dan Hoort offers to send a copy of Auditors study to the Fin Comm. He also states that the paving report is on the town web site under DPW and is available he has just sent each fin Committee member a copy. to FC He will provide FC members with hard copy, should that be necessary.

CIP

Duane Steele says much maintenance should be part of our annual budget, as well as lease payments. He states that he has provided Fin Committee members with a DOR form to help rate, and categorize and prioritize CI requests. Dan Hoort says that it is difficult for him to ascertain how to place the requests. Now, as it stands any items over ten thousand dollars are CI He suggests that five years may be reasonable currently but that ten grand may be outdated. He suggests that Fin Committee make a policy recommendation, Tom Donegan says he is working on a draft with Tom Coen

Tom Donegan suggests a five year plan must be implemented.

In the Audit report there are discrepancies between town and piers cash. Adjustment will be made by moving money from one to the other. It is less than ten thousand dollars. The books have not been reconciled in a timely manner recently.

Duane Steele says floating docks need to be replaced. Dan Hoort states that the Pier Corp has two hundred thousand dollars left over from a town grant from previous years.

In the auditors management letter there is material weakness. We have reconciled treasurers cash through June 30th including subsidiary accounts and accounts receivable plus betterment's We are using prepayment to reduce amounts borrowed, reconciliation of project costs and general ledger accounts. It is suggested that we take less cash to reduce the possibility of fraud. Several members agree that becoming totally cashless in parking machines would be to our advantage financially. the recent fraud is evidence of this. Dan Hoort mentions two accounts that are out of balance by at least eight hundred thousand dollars each; one over and one under He suggests that the problems go back to 2002-3 and suggests that auditors may be able to find documentation to support their questions about this deficit and overage. Dan Hoort has dealt with 27 other large discrepancies. This is the last one. MC suggests we write it off as it is the last item of Dan Hoort's review and summary. There is a consensus that we need a policies and procedures

more

manual. Dan's time is too valuable and we need to pay someone to put it together.

Small assets, printers laptops and other small equipment and assigned value through different departments.

There is a hand out by Tom Donegan which outlines the function of Fin Committee in town government Tom asks Fin Committee members to review docs which give FC its checks and balances.

As a result of the new open meeting law, secretarial services are need immediately Funding? reserve? can be used? It is now an emergency to hire a secretary now but it must be built into the budget for future years. Board agrees with no votes that emergency funds can be used for this year only. Each document read at meetings must be included. MC moves to take two thousand five hundred dollars from the emergency funds. Clarence Walker seconds. motion carries 5-0

Other business

Minutes of December 8th approved by two persons who attended that meeting. 2-0-3

Minutes of April 27th MC motions Tom Donegan seconds. Vote 2- 0- 3

June 20th MC motions Doug Cliggott seconds Vote 5-0-0

Minutes of June 28th which include Dan Horst's e-mail and Russ Braun's memo also Mike moves Tom Donegan seconds Motion passes 5-0-0

TD asks DC to focus on the school budget

Meeting is adjourned at 2:45 Pm with plans to meet two weeks into September and review subsidiary budget and auditors results for Dan's information.