

Finance Committee - Monday, June 22, 2015

Judge Welsh meeting room

Meeting called to order at 10:06 by Acting Chair Doug Cliggott (awaiting Chair Mike Canizales); present - Clarence Walker, Louise Venden, Mark Hatch, Duane Steele, Stan Sikorski

- Review of Management Letter re Audit Report - Dan Hoort, Finance Director

1. Provincetown Public Pier Corporation - Town Audit cannot be complete until Pier Corporation Audit is complete, held up due to "discrepancy" alleged in their Audit - \$40,000 to \$50,000 from years ago; Finance Director will investigate.

Mike Canizales arrived during this discussion and took over as Chair.

2. Treasurer's Cash Book automation - Treasurer not comfortable with MUNIS System. Her method gets reconciled to the General Ledger each month. Finance Director will ask her to consider switching to MUNIS.

3. Bank Accounts - some have been closed based on Audit recommendation, but there will continue to be 10-15 as required for various programs - Community Preservation, Affordable Housing Trust Fund, etc. required to have their own accounts.

4. Payroll - recommend use of import/export function to convert from Millenium to MUNIS to expedite recording of payroll into MUNIS.

5. Federal Grant Accounting - segregate from non-Federal accounts; use care in recording original Grant classification - Finance Director says it is happening this year. Grant funds cannot be used for internal operations.

6. Police Extra Duty Detail revenues - recommend monthly report and convert to MUNIS. Finance Director reports that monthly reports are happening and Police Department has MUNIS installed, but they still need training by MIS - expect it to happen this year. General discussion of need for training re MUNIS.

7. Student Activity Funds - variance between School Department and Treasurer - Finance Director reports that funds have been audited. Not reconciled previously - Finance Director went back 8 years and could not reconcile, had to write off. Now reconciled monthly.

8. Financial Policies and Procedures Manual - Finance Director reports that it may be done by the end of the month. Will bring it to the Finance Committee in Sections.

9. Risk Assessment Program - initiated in 2015 - Finance Director gives example of how it was applied to the Recreation Program, receipts for individual use.

Follow-up points for next meeting re Audit:

1. Software Treasurer is using
2. Payroll and MUNIS
3. Police Detail Billing and MUNIS
4. Policies and Procedures Manual
5. Plan for training in MUNIS

Other notes re Audit:

1. Table 16 - transfers from General Funds from Bond sales - Enterprise Funds

2. Note 3, page 39 - custodial credit risk - scholarship funds and cemetery perpetual care invested in Fannie Mae by Treasurer. FDIC protects Town against risk up to \$250,000 per account.

- Housing Trust

Draft prepared by Legal Counsel of Special Act to create a Housing Trust:

- a. Year-round market-rate housing trust
- b. Not same as Affordable Housing Trust created by State law
- c. Limited to market-rate rental units
- d. Can establish additional criteria - including affordability
- e. Description of housing crisis in Town essential to get this passed
- f. Board of Trustees - five members
- g. Subdivision of the Town, subject to financial oversight by the Town, members subject to Town rules and laws

- h. Dissolution can only be by additional Special Act
- i. Trust has power to borrow money, acquire real properties
- j. Public Hearing before Trust acquires rental property - can be eliminated

Intent to schedule Public Hearing re Housing Trust at next Finance Committee meeting in July.

David Gardner and Michelle Jarusiewicz need to do Needs Analysis. Need for Asset Management and housing index.

Dan Hoort's proposal - Real Estate Investment Trust that people would invest in. Need to ask Legal Counsel if that can be done as part of Housing Trust or in addition to.

- Committee Reports

1. Chair has asked the Board of Selectmen to see draft Contract with the Police Chief. He also intends to ask to see the draft Contract with the Town Manager when that is negotiated. Finance Committee voted unanimously to ask the Board of Selectmen to release the minutes of the Executive Session in which the Police Chief's Contract was negotiated. Committee voted unanimously to authorize Chair to express their concern with (1) progressive discipline and (2) multi-year contract - should be one year or at will.

2. What is the tentative deadline for a warrant article for the Fall Town Meeting? Finance Director says 30 days prior to the Town Meeting.

a. Proposal by Doug Cliggott for a warrant article setting a local minimum wage. Concern by other members with impact on unemployment costs since this is a seasonal industry and impact on costs of doing business and pass-along to customers.

b. Proposal by Doug Cliggott for a warrant article about whether citizens would be willing to pay higher taxes to support middle income housing. Other members indicated the issue was voted for at last Town Meeting; however a vote at Town Meeting doesn't represent non-resident homeowners.

3. Proposal to reconsider parking at MacMillan Wharf - move or build over.

- Other Business

Finance Director says Finance Committee needs to meet on July 13, 14 or 15 to review year-end budget transfers.

Meeting ended at 12:09