



Finance Committee

Finance Committee Meeting Minutes
Monday, October 5, 2009 @ 3:00 pm
Larkin Hall at the Provincetown Center for Coastal Studies
Called to Order: 3:03

Membership:

P	E	U	Name	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Thomas Coen, Chair	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Ann Maguire, Vice Chair	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Virginia Ross	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Thomas Thurston	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Frederic Biddle	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Philip Gaudiano	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Gabrielle Hanna	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Daniel Hoort	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	David McChesney	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Erik Yingling, Alternate	<input checked="" type="checkbox"/> Voting
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Oliver Kamm, Alternate	<input checked="" type="checkbox"/> Voting

(Note: **P** = Present **E** = Excused **U** = Unexcused)

These minutes are in brief format. This meeting was filmed and is available on DVD at the Provincetown Television office.

Also Present:
Sharon Lynn, Town Manager

- Order of Business:**
1. To review the proposed five year fiscal policy format.
 2. To review sample financial polices from other towns and determine how to develop policies that are specific to Provincetown.
 3. To review the minutes of prior meetings, as time permits.
 4. To consider any other business that may legally come before the Finance Committee.

Other: Update on Meeting with the Superintendent of Schools

Mr. Coen briefed the Committee on the meeting he attended with the Superintendent of Schools, the Town Manager, the Finance Director and the Vice-Chair. The highlights were:

1. The Recreation Department has moved it's after school program up to the schools as of the first day of school. The Superintendent is exploring the possibility of hosting other activities at the school
2. The Superintendent agreed to participate in updating the Five Year Fiscal Policy Plan.
3. Mr. Coen asked if the school would be willing to use the Town format for its FY11 budget submission. The Town format provides more of a narrative as well as a detailed breakdown of staffing levels and costs. The Superintendent agreed, in principle, to the request as she needs the same type of information. The Finance Director will provide the Superintendent with an example.

(Ms. Lynn arrived toward the end of this discussion).

Proposed Five Year Fiscal Policy Plan Format

Mr. Coen distributed printed copies of the spreadsheets that the Town of Harwich uses. The Finance Director is working to adapt them to the Provincetown needs and to fill in our financial data.

The Committee walked through all of the spreadsheets and agreed that they are very detailed and complete; and would provide complete transparency to the public. Ms. Lynn noted the format is consistent with those she has worked with previously and appear to be suitable for use by the Town.

Responsibility for producing the plan belongs to the Town Manager and Finance Director. A specific date for completing the plan has not been set yet, but some time in November is the target. The Committee offered to assist in any way possible.

To view Harwich's FY10 five year plan got to this link:

http://harwichma.virtualltownhall.net/Public_Documents/index

Search for “5 year plan FY10 final”. The spreadsheets in this document are similar to those that the Committee reviewed.

Financial Policies

Mr. Coen distributed a boat load of documents including guidance from the Department of Revenue (DOR) and other professional organizations, along with sample financial policy documents from other Massachusetts towns. Discussion centered on the scope and approach of the Committee’s work on developing proposed financial policies for Provincetown.

With regard to the scope of the effort, it was agreed that the Committee should focus on debt management and reserves policies as discussed with the Board of Selectmen on August 10th. There was a brief discussion about adding a Capital Improvements Policy to the list, but the general sentiment was to tackle that later.

Regarding the approach to drafting the policies, the Committee members would prefer to tackle them as a group rather than assigning the responsibility to individual committee members or work groups. Ms. Lynn suggested taking a two-step approach to working with the Board of Selectmen – have an initial joint meeting to review the drafts and get their comments and suggestions, followed by a second meeting to present the Committee’s final versions.

(Ms. Lynn departed at the end of this discussion).

Links to documents distributed for this discussion:

DOR: Developing a Capital Improvements Program
<http://www.mass.gov/Ador/docs/dls/publ/misc/cip.pdf>

Note: The Committee received copies of Exhibits II & III.

DOR: Best Practices – Free Cash:
http://www.mass.gov/Ador/docs/dls/mdmstuf/Technical_Assistance/Best_Practices/freecash.pdf

DOR: Best Practices – Reserve Policies:
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http://www.mass.gov/Ador/docs/dls/mdmstuf/Technical_Assistance/Best_Practices/reservepolicies.pdf

GFOA: RECOMMENDED PRACTICE. Debt Management Policy* (1995 and 2003):

<http://www.gfoa.org/downloads/debt-management-policy.pdf>

GFOA: Appropriate Level of Unreserved Fund Balance in the General Fund (2002)

<http://www.gfoa.org/downloads/budget-appropriate.pdf>

Note: GFOA is the Government Financial Officers Association

Town of Amherst Financial Management Policies & Objectives:

<http://www.amherstma.gov/DocumentView.asp?DID=1553>

Town of Needham Debt Management Policies:

dev.icma.org/Documents/Document/Document/4153

Town of Reading Debt & Capital Policy:

http://www.ci.reading.ma.us/Pages/ReadingMA_Finance/debtpolicy

Town of Reading Policy on Cash Reserves:

http://www.ci.reading.ma.us/Pages/ReadingMA_Finance/cashreservespolicy

Town of Sudbury Budget and Financial Management Policies:

<http://www.sudbury.ma.us/documents/download.asp?id=2142>

Minutes

Mr. Coen proposed that members who were not present at prior meetings be recorded as abstaining from the votes on the minutes, as the Board of Selectmen do. This would make the vote tally match the count of members attending the meeting where the minutes are voted on.

Motion # 1: To approve the minutes of the Committee’s August 24 th Meeting as amended.			
Motion By: Ann Maguire		Second By: Philip Gaudiano	
For: 5	Against: 0	Abstain: 3*	Recuse:

Motion # 2: To approve the minutes of the Committee’s September 14 th Meeting as presented.			
Motion By: Ann Maguire		Second By: Erik Yingling	
For: 6	Against: 0	Abstain: 2*	Recuse:

** Members of the Committee who did not attend the meeting abstained from voting on the minutes.*

Other Business

Conflict of Interest Guidelines

A Conflict of Interest seminar was conducted by the State recently in Provincetown. State law now requires that all town employees, including board members, complete training on the State's conflict of interest law.

General discussion about possible conflicts of interest ensued. The State Ethics commission provides advice on individual cases by phone via its Attorney of the Day program. Mr. Coen urged members of the Committee who have concerns about upcoming issues that we may have to vote on, e.g. local option taxes, to take advantage of this program.

Next Meeting:	Wednesday, October 21, 2009 @ 2:00 pm
Adjourn:	4:45 pm
Minutes by:	Thomas Coen

Approved by  on October 8, 2009
Thomas Coen, Chair