



TOWN OF DARTMOUTH MASSACHUSETTS

Finance Committee
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Peter Friedman, Chairman
Greg Lynam, Vice-Chairman

Pursuant to a call to order and notice duly given in the manner required by law and the By-laws of the Town of Dartmouth, a meeting of the Finance Committee was held on Thursday, August 9, 2007 at 7:00 P.M. at the Town Hall Room 314.

MEMBERS PRESENT: Leonard Gonsalves, Greg Lynam, Melissa Haskell,
Peter Friedman, Francis Pettengill, Patrick Roth
George Jacobs, Stewart Washburn

MEMBERS ABSENT: Larry Fox

BEGINNING RESERVE FUND BALANCE: \$630,000 a/o July 1, 2007
ENDING RESERVE FUND BALANCE: \$630,000

FINANCE COMMITTEE MEETING

AGENDA

Thursday, August 9, 2006 at 7:00 P.M
Room 314

- 7:00 P.M. Discussion of Website Content
-Discuss providing report of financial condition like that of other communities
- 7:20 P.M. Schedule for October Town Meeting/Upcoming Meeting Schedule
- 7:40 P.M. Town's 5-year Plan
-Addressing Capital Improvement Projects
-Incorporating suggestions of DOR Financial Review
-Incorporating trends of 2005, 2006 and 2007 Audit Management Letters
-FinCom 5-year Plan Liason
- 9:00 P.M. Adjourn

ACTION ITEMS:

- Follow-up with Claire Karvonen re: 2007 sources of revenue. (Assigned to Melissa Haskell – *emailed request 7/26/07 Claire responded that Mike and Ed wanted to review the numbers before they were distributed. 08/01/07 Forwarded email from Claire.*) - COMPLETED
- Letter to SB indicating that we have questions about the 5 year projections and expressing a desire to meet with them should the override pass. (Melissa Haskell to draft letter. Send to Peter Friedman for review and posting.)
- 2004 and 2005 Management Letters –(Melissa Haskell to request information from Cheryl – *emailed request 7/26/07, Spoke with Bryan Britton and he agreed to .pdf them to me 7/31/07. Emailed 2005 and 2006 out to FinCom on 8/1/07. 08/02/07 – emailed Bryan requesting 2004. 08/09/07 – followed up by telephone with Bryan requesting 2004 management letter.*)

- Ask Cheryl to post August 2nd Meeting (Melissa Haskell – *emailed request 7/26/07, Spoke with Bryan Britton and he agreed to post this meeting and one on August 9th 07/31/07*) - COMPLETED
- Lenny to provide Peter with information on the statute that allow the Select Board to participate in School contract negotiations. – DELETE
- Peter will contact the Select Board Chair to discuss their representative participating in school department contract negotiations.
- Contact Mike Corville about link on Town Website. (*Spoke with Mike on 07/31/07. He said that anything emailed to him could be posted the next day.*)
- Receive a monthly account of Town Revenue – to start by the end of July (unassigned)
- Receive an update of legal bill estimates and some sort of a calculation of the variance between budgeted and actual expenses – check at the end of first quarter (unassigned)
- Schedule a meeting with Mary Sahady to review the Town Audit and Management Letter (decide if necessary after reviewing Management Letters)
- Insure that the October Town meeting Schedule A is in the same format as the last Town Meeting so that it is consistent and presented in a format to which Town Meeting Members are accustomed. (unassigned)
- FY07 Departmental Turn Backs requested from Claire Karvonen by G. Lynam (*08-02-07- G. Lynam requested from C.Karvonen. 08/09/07- M. Haskell spoke with M. Gagne about turnbacks. He indicated that he thought they should be available next week along with Cooke and Company's estimate as to what the town must put aside for healthcare account.*)

UNSCHEDULED AGENDA ITEMS

- discuss audit and management letter and response *-ongoing*
- discuss Financial Management Review from DOR *-ongoing*

IDEAS FOR FURTHER CONSIDERATION

- Create a general status report about the financial condition of the Town, similar to those created by other communities. (*tentatively on Agenda for Aug 9th*)-**MOVE TO ACTION ITEM**

Meeting was called to order at 7: 00 PM

Peter Friedman welcomed back Patrick Roth after a lengthy absence for health reasons.

Website Content

A discussion took place about what content should be posted on the Finance Committee portion of the Town's website. All agreed that future agendas should be posted. Further discussion took place as to the type of minute information that would be posted. George Jacobs suggested that a

“Record of Votes Taken” be posted on the website with a note that the full meeting minutes are on file with the Town Clerk.

MOTION

A motion was made by George Jacobs and seconded by Melissa Haskell that the Finance Committee post a record of votes taken at all meetings of the Finance Committee on the Finance Committee portion of the Town website with the note that the full meeting minutes are on file at the Town Clerk’s Office.

(Voted 8-0-0)

Gregory Lynam highlighted the Finance Committee report examples that had been emailed to Finance Committee members from the Towns of Westport and Arlington and indicated that he thought these were good examples of reports that the Dartmouth Finance Committee might want to create to inform our Town residents about the state of Dartmouth’s financial affairs.

Leonard Gonsalves volunteered to prepare a draft document detailing the functions of the Finance Committee to include on the website.

Stewart Washburn suggested that a letter be sent out to each department head indicating that the Finance Committee would be inquiring about spending reductions made in each department when a department was coming before the Finance Committee seeking funds from the Reserve Fund. After the letter is sent to the department heads, Stewart suggested posting the letter on the Finance Committee website. There was some discussion about this issue and Peter Friedman suggested that Stewart draft the letter and discussion be an agenda item for a future date.

It was suggested that the website could be used to make information available to Town Meeting members in advance of Town Meeting including warrant articles, recommendations about warrant articles and dissenting opinions in the event of a split vote.

Gregory Lynam suggested that past revenues and projected revenues should be part of the website along with commonly misunderstood terms.

Peter Friedman summed up the website content by suggesting there be three sections. Section 1 would have general information, finance committee responsibilities and misunderstood terms. Section 2 would have revenue projections, reserve fund balance, stabilization fund balance, percentage change over prior year and Section 3 would have upcoming Town Meeting information.

MOTION

George Jacobs moved that anything included on the website require a majority vote.

Motion seconded by Leonard Gonsalves

(Vote 8-0-0)

MOTION

Melissa Haskell moved that all agendas can be posted without requiring a vote.

Motion seconded by Francis Pettengill.

(Vote 8-0-0)

Upcoming Meeting Schedule

MOTION

Melissa Haskell moved that the Finance Committee meet every Tuesday beginning August 14th and meetings may be cancelled at the prerogative of the Chair.

Leonard Gonsalves seconded the motion.

(Vote 8-0-0)

George Jacobs suggested we invite publicity about our regular meetings and all agreed.

Review of Management Letters for 2005 and 2006

A preliminary review of the Management Letters was done. The Town Accountant has indicated that there was not Management Letter for 2004, but was calling the auditor to be sure. All agreed that we should follow up on the 2004 Management Letter. Finance Committee is expecting to do further review of Management Letters and investigation into the recommendations and their implementation. Leonard Gonsalves wanted the Finance Committee to review the Management Letters to see the things that have been pointed out, but have gone uncorrected for multiple years. In particular, Leonard Gonsalves pointed out the note about School Department encumbrances and reminded the Committee that the issue of the validity of the School Departments encumbrances came up at Town Meeting three years ago, but expressed concern that their encumbrances were still not being handled properly, as pointed out by the auditors. Peter Friedman expressed concerns about the vagueness of the management responses. Leonard Gonsalves said that the questions asked in the management letter should be answered by the Town's professional management. The fact that the same issues were continuing to be raised in each management letter represented a major failure by the management of the Town.

Discussion of 5-year financial plan

George Jacobs cautioned the Committee about flailing about with relatively small issues and expressed the opinion that our actions with regard to the audit, etc. should be dove tailed into a 5-year plan. The Committee expressed concern that progress on a 5-year plan did not seem to be clearly happening and, if it was happening, the Finance Committee had not been included. George Jacobs suggested and the Committee agreed that a letter from the Finance Committee to the Select Board be sent that says that in view of the current financial difficulties the Town is facing and the mandate of the Town Charter, citing Section 5-3 paragraph 2, we would like to be informed of what plan or plans and what schedule has been established as to the authoring of a 5-year financial plan and the Finance Committee stands ready to assist in this endeavor. The letter should also say that we would appreciate a timely response so that we might endeavor to complete the plan by our October Town Meeting.

Leonard Gonsalves pointed out that Section 5-3 of the Town Charter specifically designates the Executive Administrator and the Director of Budget and Finance with putting together these financial projections.

MOTION

George Jacobs moved that the Chair send a letter to the Select Board citing Section 5-3 of the Town Charter, asking how this section would be implemented and indicating our willingness to participate in this endeavor.

Seconded by Patrick Roth

(Vote 8-0-0)

School Contact Negotiations

Leonard Gonsalves indicated the M.G.L. Chapter 150E puts the responsibility on the Executive Administrator or his designee to attend School Committee contract negotiations. Ed Iacaponi has

been made the designee, but has not attended or been notified of contract negotiations and is currently unable to attend these contract negotiations. Mr. Gonsalves suggested that either the Executive Administrator should be attending these sessions himself or designating another individual to attend, perhaps even a Select Board member.

It was agreed that Gregory Lynam would email the appropriate M.G.L. information to the Chair and the Chair would send a letter or discuss this issue with the Select Board chairperson as previously discussed.

DOR Management Letter

Melissa Haskell asked if there are any personnel contracts expiring this year and did the employee (s), need a contract in the future? She also suggested that this might be an opportunity to invite the Personnel Board to meet with the Finance Committee. Peter Friedman suggested that we invite the Personnel Board to a meeting with the Finance Committee. Gregory Lynam said that he would like the Personnel Board to review contracts and provide the Committee with some input.

Melissa Haskell asked about requiring that all pensioners convert to Medicare upon reaching age 65, as suggested in the DOR report. Gregory Lynam indicated that he had been told that impact bargaining with the unions would be necessary and the Town would need to adopt the appropriate statute.

Dismay about the inefficiencies of retyping all the School Department invoices at the Town Hall was expressed by Gregory Lynam who thought that a bridge program could surely be implemented to eliminate the duplication of efforts. He also express the opinion that a lockbox should certainly be implemented as the DOR report suggested.

MOTION

Melissa Haskell moved that the meeting minutes dated July 17, 2007 be accepted.

Leonard Gonsalves seconded the motion.

(Vote 8-0-0)

MOTION

Melissa Haskell moved that the meeting be adjourned.

Leonard Gonsalves seconded the motion.

(Vote 8-0-0)

Meeting adjourned at 9:05 pm

Respectfully submitted,

Melissa E. Haskell

Clerk