

TOWN OF HARVARD

Finance Committee

Minutes

Meeting Date: Wednesday, April 03, 2013

Meeting Place: Town Hall Meeting Room

Members Present: Alice, Laura, Rudy, Don, Steve, Bob, Alan

Members Not Present: Heidi, George

Others Present: Tim Bragan, Town Administrator; Lorraine Leonard, Finance Director

Meeting Time: 7:07 PM Adjournment Time: 9:30 PM

Discussion and Actions

- Laura empanelled, to achieve quorum, until Steve's arrival at 7:11 and Bob's at 7:14
- Meeting Minutes – NA
- 7:10 – 7:45 - Tom Phillipou and Sharon McCarthy represented Board of Health in making their case for Article 34, Community Management Septic Program;
 - Would require a \$300,000 bond that would be added to the Town's debt load
 - General conversation about genesis of the program and potential risks to the Town; i.e., unknown cost of borrowing to the Town, risk of homeowner default, additional work for Finance Dept, accounting / cash flow of program proceeds flowing directly to BOH instead of Finance Dept., etc. Conversation/discussion of potential benefit to Harvard residents ensued
- Public Commentary – Bill Johnson spoke to recent BOS 3 – 2 vote not to support Town Planner warrant article
- Warrant Articles and Any Additional ATM Items
 - **FinCom voted 5 – 0 not to recommend Article 41**, Montachusett Regional Vocational School request for a Stabilization Fund
 - **FinCom voted 3 – 2 to recommend Article 34**, BOH Community Management Septic Program
- Annual Town Audit Report and Management Letter – Lorraine reviewed highlights of recently received Management Letter;
 - Auditor identified a significant process breakdown in the cash reconciliation process. Root cause determined to be linked to a transition in staffing and corrective actions have been implemented.
 - Two (2) receivables issues were identified and identified as related to cash reconciliation process breakdown.
 - OPEB was once again raised as an issue, though the timing of the audit, juxtaposed and developed in parallel with the OPEB Working Group initiative, precluded the inclusion of current breaking OPEB developments into this year's audit report.
- Finance Director Report – Lorraine distributed the latest Reserve Fund Actions To-Date Report
- Town Administrator Report – NA
- Liaison Reports
 - Steve raised the issue of the Schools Bus Contract Bidding Process. Lorraine informed FinCom of the procedural challenges that led to Gokey and Quinn's loss of the contract they've held with Harvard Schools for 36 years. The contract was awarded to Dee Transportation.
- Meeting adjourned at 9:30 PM