

CPA Committee  
**Minutes of Meeting Jan. 25, 2010**  
5:40 PM to approx. 6:50 PM

Members Present: Ann Borton, Janet Chayes, John Lochhead, Martha Conant, Walter Goodridge.

Also Present: Muriel Antes, Louise Beckett, Philip Kantor, Mary Irwin; all from Historical Soc.

**Historic Preservation Renovations**

The Conway Historical Society's Museum Moisture Abatement Project complete proposal was submitted; total cost \$30,000. We discussed issues mainly concerning drainage and lack of specificity in the contractor proposal.

Walter Goodridge was assigned the task of working with the Society to insure that the final proposal had sufficient detail.

Janet raised a question concerning the need to coordinate with the Historical Commission. Walter questioned that need but all agreed that some coordination would be useful. Research is needed to determine if a deed restriction would be required. (Item 4 of accompanying Agenda references other towns' use of CPA funds for non-town owned property, including a link to a Model Preservation Restriction.

Jack pointed out that CPA money could be used for housing as well as historical preservation. It was decided that this was not directly appropriate to the current proposal.

**Accounting Issues: memo & attachments**

Janet presented a memo and documentation (below) raising the issue of differences between the established CPA methods of accounting and those being used by the town, including questions about total fund balance and amounts in designated reserves. She recommended hiring an outside accountant.

Jack stated that the new Town Accountant (Amy) has had extensive experience with CPA funds and recognizes that current town records need work. Jack had to leave at this point to attend the Selectboard's meeting.

Janet was concerned about when the new Town Accountant would have time to address our issues in sufficient detail. The Committee discussed accounting discrepancies between Janet, representing our Committee, the Town Treasurer, and the Town Auditor concerning CPA figures held in reserve and designated for open space, historical preservation and housing. (Attached Exhibit A and B.) It was moved, seconded and voted to approve the use of up to \$1000 from administrative expenses to hire an independent Accountant to reconcile these discrepancies.

**CPC Study & Hearings: M.G.L ch 44B Section 5 (b)(1) – excerpts of law**

A table of contents and sections of the law were handed out. Section above requiring us to study and hold public informational hearings on the needs, possibilities and resources of the town regarding community preservation was read. Martha suggested, and others agreed, that we could do this in the spring after Town Meeting. Janet noted that the law

does not specifically require the Committee to hold public hearings on specific proposals. Though this is a good practice, proposal hearings do not have to be advertised as legal notices.

### Tasks & Schedule

Janet will be out of the country Feb. 16 – Mar. 1.

1. Preparation of Warrant - she will be back in time for this but will brief Walter.
2. Preparation of Annual Report - Walter
3. More meetings - Walter will schedule if/when needed depending on Historical Museum analysis

Hearing – rescheduled to Thursday, 3/4/2010

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Date: January 11, 2010  
From: Janet Chayes, Community Preservation Chair  
To: Conway Community Preservation Committee

### Community Preservation Accounting

Issues in accounting for Conway's Community Preservation Fund have been accumulating for some time and now need to be addressed. Accounts maintained by the Town Treasurer may not accurately reflect the provisions of the Community Preservation Act and state Department of Revenue regulations. These questions concern the total Fund Balance and the reserves designated for open space, historical preservation and housing.

In February 2009 the following figures were presented to the Treasurer with a caution that the auditors figures were troubling. (Exhibit A attached)

#### CPA RECONCILIATIONS

|                            | Auditor | Bank    | Committee |
|----------------------------|---------|---------|-----------|
| <b>Balance<br/>6/30/07</b> | 142,611 | 220,354 | 215,220   |

The town's outside auditors changed the amounts in our reserve accounts based on a misunderstanding of the law. Although a written opinion from a Department of Revenue lawyer was presented, the erroneous adjustment still appears on the town records. (Exhibit B attached)

Attempts to resolve these issues with the Treasurer have not been successful. It is recommended that the Community Preservation Committee use its administrative expense account to hire an outside accountant with CPA experience to prepare a complete accounting of Conway's CPA Fund. The cooperation of the Selectboard, their appointed Town Treasurer, and the Town's independent auditor will be required to ensure that any needed adjustments are put in place.

**CPA RECONCILIATIONS**

|                        | Auditor | Bank    | Janet   |
|------------------------|---------|---------|---------|
| <b>Balance 6/30/07</b> | 142,611 | 220,354 | 215,220 |

**Revenue**

|      |        |
|------|--------|
| 2005 | 43,442 |
| 2006 | 88,863 |
| 2007 | 94,951 |

Total 227,256

**Spending**

|               |       |
|---------------|-------|
| Headstones 07 | 2,900 |
| Sch house 06  | 5,650 |
| Sch house 07  | 3,437 |
| Total Sch Hse | 9,087 |

Admin. 06 49

Total 12,036

Balance 6/30/07 should be 215,220

|           |      |             |            |      |
|-----------|------|-------------|------------|------|
|           | 2005 | <u>CP-2</u> | <u>A-4</u> |      |
| Revenue   |      | 43,328      |            |      |
| Exp.      |      | -           |            |      |
| Balance   |      | 43,328      |            |      |
|           | 2006 | <u>CP-2</u> |            |      |
| Revenue   |      | 88,863      | 88709      |      |
| Exp.      |      | 5,650       |            |      |
| Balance   |      | 126,541     |            |      |
|           | 2007 | Deduced     |            |      |
| Revenue   |      | 94,951      | 94,951     |      |
| Exp.      |      | 6,337       |            |      |
| Balance   |      | 215,155     |            | (65) |
| Tot. Exp. |      | 12,036      | -          |      |