

FINCOM
Meeting Minutes – September 3, 2014

Members Present: Alice, Rudy, Alan, Don, Laura, Heidi, Steve, John

Not Present: Bruce

Others: Tim

Location: Town Hall Meeting Room

Alice opened the meeting at 7:06 PM

Minutes of the August 20 meeting were amended. Rudy moved and Steve seconded to approve the minutes as amended. Motion was approved.

Election of Officers: Unanimous votes were recorded for the following officers:

--Chairman, Alice von Loesecke

--Vice Chairman, Rudy Minar

--Secretary, John Seeley

Appointment of Liaisons:

Liaisons were appointed for the following town committees:

Police, Fire, Ambulance—Laura

Board of Health—Heidi

Cemetery—Alan

Schools—Steve with Laura as back-up

DPW—Heidi

Tree Warden—Heidi

Pond—John

Library—Rudy

Town Clerk—Alice

Personnel—Alice

Moderator—Alice

Board of Selectmen—Alice

Hildreth House/COA—Bruce

Parks and Recreation—Rudy

Planning Boards—Rudy

Historical—John

Cable Access—Alan

Agriculture—Don

Master Plan—Don

Energy Advisory—Don

Town Hall—Don

CPC—Steve

Monty Tech—Steve

OPEB—Bruce

CPIC—There was discussion whether the liaison needed to be a voting member of FINCOM. Laura believed it should be a voting member while Alan and Rudy said this has never been a restriction for the

liaison appointment. Laura and Alan were nominated as liaison to CPIC and the **Committee members voted 5 in favor of Alan and one vote for Laura.**

Finance Committee Calendar:

Alice shared a meeting calendar based on last year's schedule. The major changes to this year's approach will be that Tim and Lorraine will first review the budgets for completeness and any errors in data entry, then the BOS meeting of November 18, continuing to the December 2 meeting if required, will review/approve the department budgets. Tim will assemble books documenting all boards and departments' original proposed budget including all changes to that proposed budget and narratives with trade-offs among departments "vetted" by the departments and BOS. Tim committed to get this book to all FINCOM members during the week prior to our December 17 meeting.

If we have no additional questions on a specific board or department's budget, they will not be required to attend a FINCOM review meeting in January.

Long Term Debt Discussion:

FINCOM is considering developing guidelines for the town to use during this year's budget development process: (1) **debt service as a percent of total expenditures** (we are currently at 5 and ½ %, the low end of the range back to 2000 when debt service as a percent of total expenditures ranged between 5% and 11%); and (2) **absolute debt level**. The first is important as it impacts our debt rating, hence interest rate on our long term debt. The second is important as the dollar value of the debt service required on the total debt impacts all residents' property tax rates/amounts. The second is important if we need to add more debt in the future in an environment of rising interest rates.

Prior to the September 17 meeting when we will continue this discussion, Steve and Alan will document the past 15 years or so of history on Harvard's debt service as a percentage of total expenditures. Tim will run 10 year financial scenarios for a range of 5% to 10% debt service rates to provide future amounts available by year.

Town Administrator Report:

Tim handed out the October 3, 2013 Fiscal 2015 Budget Memorandum used to start last year's budget process and asked the committee to provide additions and revisions to guide this year's process at our next meeting.

Finance Director Report: None provided. Lorraine was not present.

Liaison Reports:

- **Schools**--Steve reported that the parking lot project was completed but the new concrete in front of Bromfield project was suspended and a settlement of \$14,000 agreed on with the contractor as the depth of the existing concrete was much deeper than anticipated and their quote was based on. The area was patched for a short term solution.

- **CPIC**—Alan reported that they have realigned their meeting schedule to the 2nd and 4th Thursdays to better mesh with FINCOM meeting schedule.
- **Park and Rec.**—It was observed that a portion of the wall on Mass Ave was repaired but a granite top added. It was not clear who made this decision.

Other Business: None.

Agenda Items-Next Meeting:

Revisions to the budget request letter and consideration of guidelines for debt service percentage and absolute debt levels will be top agenda items for the September 17 meeting.

The meeting adjourned at 9:05 PM.

Respectfully submitted,

John W. Seeley, Secretary