



Town of Harvard
Finance Committee
Minutes for May 20, 2020

The Finance Committee Regular Meeting was held virtually in accordance with the Governor's Executive Order Suspending Certain Provisions of the Open Meeting Law, G.L.c.30A. S.20.

Present: Don Ludwig (chair), John Seeley, Jennifer Finch, Ray Marchica.

Absent: Mark Buell, Richard Fellows, Siko Sikochi.

Others: Tim Bragan - Town Administrator, Marie Sobalvarro - Assistant Town Administrator/HR Director.

Don Ludwig (chair) called the meeting to order at 7:02pm

Minutes for approval: None presented, Jennifer to follow up.

Public Commentary: None

Meeting Business and Town Administrator's report:

The Select Board budget subcommittee met this morning and discussed plans should the \$320k override fail at town election on June 23rd. Using the 70/30 split, the school would be looking to cut \$224k and the town side would spread out the \$96k among other departments.

Municipal options include:

- Suspending filling the open police officer position.
- Removing the merit pay for municipal employees. ~\$26k
- Decreasing the Tree Warden budget by \$10k - this had previously be increased by the Select Board out of their own budget.

Schools:

- 4 positions possibly going unfilled or shuffled around. \$224k with the knowledge that any layoffs or furloughs could result in changes to benefits or unemployment.

Discussed the options of using \$100k from Stabilization and \$100k from a lower OPEB contribution, ultimately changed to \$200k from Stabilization and keeping OPEB level funded.

The most significant change available to us is to change the premium share of insurance. For instance: going from 75/25 to 51/49 - on retirees and active employee from 80/20 and 75/25 to 70/30. The largest benefits savings is unavailable to us this year due to the school teachers union contract. The

other two unions in town would be notified of any changes. Marie will have numbers for us next meeting.

The Insurance Advisory Committee, comprised of employees from different departments would make their recommendations to the Select Board, and the Select Board would make the decision.

- The Police dept cruiser request was not predicated on the new hire, so it's unlikely to be cut because of the loss of position.
 - One option is purchasing one cruiser earlier in the fiscal year, and one later when we have more budget information from the state.
- We discussed using stabilization as the funding source for Raise and Appropriate (R&A) one time items and R&A Small Warrant Articles (SWAs.) This would keep Stabilization from paying for ongoing operational expenses. These would have to be amended on Town Meeting floor.

Document 1: Reserve Fund Transfer Request for \$10,000.00 for Assessor's Vision Software Upgrade (Authorized by Town Administrator)

VOTE: On a motion by Don and seconded by Jennifer and by roll call vote, the reserve fund transfer request was approved (4:0) Ludwig - aye, Seeley - aye, Marchica - aye, Finch - aye.

Reserve fund balance is now: \$250,734.92

- It was the consensus of the committee that we recommend Capital Planning and Investment Committee (CPIC) meet to discuss and re-evaluate not only their recommendations for this Annual Town Meeting (ATM) but also their 5 year plan. Using Stabilization means that any money from Free Cash would go to replenish Stabilization before going to CPIC.

Stabilization balance is: \$1,247,600.17 as of 3/31/20

Stabilization at 5% would be \$1,361,219 for FY21 as it increases every year along with the budget. This is over \$114k that will need to be contributed towards before replenishing from expenditures.

The Committee discussed some of the capital items:

- Can Hapgood (Old) Library roof repair scope be changed?
- Can the ramp be funded in part?
 - \$660k is just for the ramp, with funding source as excluded debt.
 - \$230k is for the bathrooms and landscaping, with funding source of CSF. This is also predicated on the above passing at both the Town Meeting and at the ballot.
- Hildreth House Phase 2, \$4.3M with funding source as excluded debt.
- \$150k for A/C - is this a need or a nice to have? Is it inevitable?
- \$50k for Cronin auditorium upgrades - same as above.

VOTE: On a motion from John and seconded by Don and by roll call, the committee voted (4:0) to change their recommendation regarding the \$230k CSF funded ramp additions. Ludwig - aye, Seeley - aye, Marchica - aye, Finch - aye. The Committee's recommendation is now DOES NOT SUPPORT.

In State budget news:

- MassTaxPayers Associate (MTF) was not as secure in their earlier predicted \$4.4B revenue loss for the Commonwealth. This had assumed economic recovery in July and the unemployment numbers were lower. Their revised estimate is now a \$6B loss. This is on top of their estimates being \$1B off from the Governor's budget in January.
- The HEROS act at the Federal level seems to be going no where fast. This is a \$3T House bill for hospitals and cities.
- CARES act - this is for cities and towns but can only be used for Covid19 expenses.
- Applications should be sent to FEMA first for aid, then CARES can potentially be used to fill the balance.
- At this point in time we don't know if additional town meeting expenses that are covid related would be covered.

On June 2nd, the Select Board, Board of Health, and the Town Moderator will meet to discuss the Annual Town Meeting. The Board of Health will want to make sure that any facility can allow for social distancing.

Liaison Reports: Jennifer reports that Parks and Rec met on May 18th, 2020 and as of yet have not decided to open beach operations or not.

Jennifer reports that the School Committee has not discussed budget cuts yet and the Budget Subcommittee has not met since Feb 24, 2020.

Other business: None

Future agenda items: None

Adjournment:

Meeting adjourned at 8:27pm

Supporting documents (1 Total):

1. Reserve Fund Transfer Request for \$10,000.00 for Assessor's Vision Software Upgrade (Authorized by Town Administrator)

Upcoming meetings:

May 27, 2020 7:00pm - Zoom information to follow on agenda.

Respectfully submitted,
Jennifer Finch