



Town of Harvard
Finance Committee
Minutes for June 3, 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), Mark Buell, Richard Fellows, Jennifer Finch, Ray Marchica, Siko Sikochi.

Absent: John Seeley.

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

Don Ludwig (chair) called the meeting to order at 7:00pm.

Minutes for approval: Minutes of May 27, 2020 - Not presented, Jennifer to follow up.

Public Commentary: None

Meeting Business and Town Administrator's report:

Don updated the committee on this morning's budget subcommittee group meeting. FinCom reiterated that we do not recommend lowering OPEB contributions. If we were to lower it, we should discuss a plan to get the funding back up. Bonding council will want to know what plan we have in place. While we have discretion on how much we fund it, the reality is that it is currently not funded. The original plan was to get to 60% funding.

The Select Board is looking at changing the premium share for active and retirees. This would result in \$229k savings but \$125k of that is Harvard Teacher Association Union (HTA) and cannot change during this contract. Town side is looking to implement for July 1 if approved.

Marie updated the committee on unemployment filings. We are still at about \$78k total liability, but the 53 wage employees from the school cannot file until June 16th. Her estimate is that that cohort could be around \$12.7k/week which is about \$140k for summer to the end of August 2020 depending on when and if people are re-hired.

The Commonwealth had no fiscal updates to share at this time.

Mass Taxpayers Foundation (MTF) estimates that this pandemic economic downturn will take 4 years to recover.

Tim walked the committee through what items need to be paid in July should a 1/12th budget be required. A 1/12th would only be needed if the budget fails to pass at Annual Town Meeting (ATM) on June 20th.

SusanMary Redinger from the School Committee was present during the meeting, she told the committee that the salary grid in the contract is voted every contract. Steps can be frozen and it has happened before but it can result in a Work-To-Rule situation. The HTA would rather see a Reduction in Force (RIF) than take a lower salary increase. We currently have a new 1 year contract. She said that they're also looking at contributing further funds from the Devens fund to make up additional deficits. This new contract moved the side letters into the contract, including the insurance premium share amount.

Tim states that the premium share is not in any other Collective Bargaining Agreement contract with the town.

The school approved paying Dee Bus 45% of the bills for April/May/June for regular transportation. Cost is around \$66k. The state says you cannot pay for services not rendered, but since the contract was amended, they can.

Document 1: Reserve Fund transfer request for \$77,026.61 for snow and Ice.

VOTE: Approved unanimously on a motion from Dick/Mark and by roll call: Ludwig aye, Fellows aye, Sikochi aye, Finch aye, Marchica aye, Buell aye (6:0)

Document 2: Reserve Fund Transfer request for \$6380.00 for the Council on Aging (COA) for broken fiber connection to Hildreth House.

VOTE: Approved unanimously on a motion from Dick/Jennifer and by roll call: Ludwig aye, Fellows aye, Sikochi aye, Finch aye, Marchica aye, Buell aye (6:0)

New reserve fund balance \$167,328.31.

Adjournment:

Meeting adjourned at 8:00pm

Supporting documents (2 Total):

- 1) Reserve Fund Transfer request for DPW Snow and Ice \$77,026.61.
- 2) Reserve Fund Transfer request for COA for broken fiber \$6389.00.

Upcoming meetings:

June 10, 2020 7:00pm - Zoom information to follow on agenda.

Respectfully submitted,
Jennifer Finch