

FINCOM
Meeting Minutes - August 20, 2014

Members Present: Alice, Don, Laura, Steve, Alan, John
Not Present: Rudy, Heidi, Bruce
Others: Lorraine
Location: Town Hall Meeting Room

Alice opened the meeting at 7:04PM

Minutes review and accepted as amended:
07/19 3-0-1

No public commentary

Election of officers discussion pushed off until next meeting when more members are present.

OPEB Audit Input and Progress Update:

- Handout "July 2014 PRIM Board Update"
- Lorraine said that all BOS and Town Meeting approved changes are in the new calculations
- Lorraine reiterated that the State has extended the freeze on the contribution ratio at 75/25 through July 1, 2016
- The board agreed that having a 70/30 ratio modeled by the actuary would be helpful
- Current town contribution rates are as follows:
 - Town employees at 75/25
 - Teacher was at 90/10 but now 80/20 for all new retirees
- Lorraine was asked to provide copies of the BOS letter to employees highlighting changes and also the town meeting warrant article details that were voted in
- Laura asked about getting to the school's portion of the OPEB liability but Lorraine highlighted the complexity in such a request but would ask the actuary what this might entail. She also pointed out that this would likely require time on her part to compile the breakout information on past retirees.

Long Term Debt Discussion:

- Handout "Actual Debt Service as of 6/30/14"
- Alan highlighted the main points from the June all boards discussion including:
 - Getting more stakeholders involved early
 - Expanding the debt time horizon to 10 years from 5
 - Looking at the negative impact of delaying a request
 - Request to have FINCOM set a suggested boundary or ceiling on the percent of debt service
 - Lorraine pointed out that Tim uses the assumption that every \$1M in debt adds \$1 to the tax rate

- Handout "S&P Updates US Local Government GO Criteria" and "Harvard MA General Obligation Note" highlighting our raised bond rating level which should allow for favorable debt interest rates going forward.

No Town Administrator Report

Finance Director Report:

- Reserve Fund Transfer Request - Finance/Town Clerk for \$609
 - Extra hours for receptionist filling in for Town Clerk while out sick
 - 42 hours totaling \$609
 - Vote 4-0 for \$609
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Liaison reports:

- Laura: Clarification from Police on HVAC expense Reserve Transfer - intention was to try to cover it with existing budget dollars which is what delayed request.
- Steve: School discussed HES class size for Kindergarten based on new move-in's and were looking at additional teacher. Recent move-out's has now negated this need.

No other

Meeting adjourned at 8:35 PM

Next Meeting 9/3 Town Hall Meeting Room at 7:00 PM

Respectfully submitted

Don Ludwig