

FINCOM
Meeting Minutes – October 22, 2014

Members Present: Alice, Rudy, Don, Bruce, Heidi, Laura, John

Not Present: Steve, Alan

Others: Tim

Location: Town Hall Meeting Room

Alice opened the meeting at 7:03 PM.

Leo Blair presented the BOS's draft report on the Town Hall project for the Finance Committee's knowledge prior to the October 29 Special Town Meeting. Essentially, they will propose "Option 1B" which if bids come in as they estimate, would allow the completion of the project within the remaining \$2.7MM and \$2.8MM left from the original Town Hall reconstruction budget.

Minutes of the September 17 meeting were unanimously approved as distributed. Rudy, Laura, and Heidi abstained as they did not attend that meeting.

Public Commentary: None.

OPEB Audit Report: Lorraine emailed the report to committee members in advance of the meeting for our review. The committee discussed the report findings and will ask Lorraine to share our questions below with the Actuaries who prepared the report:

- Can the auditor run the analysis using Harvard's actual retirement rates so we have a better idea of our real future costs compared to the state averages required for these analyses? What are the time and cost estimates to do this versus \$ left in the budget?
- Can the auditor run the analysis again using a 30% retiree pay versus the 25% pay? We had asked for that scenario ahead of time, so this should be in the budget.
- Since Harvard does not allow retirees to access health insurance until age 60 (except for the group that is eligible to retire at age 55—police, fire chief, teachers), did the actuary use \$0 cost for those retirees until age 60?
- On pages 20 and 21, are the turnover rates Harvard's actual rates? If not, what are Harvard's actual turnover rates?

Long Term Debt Discussion: Tim reported that the calculator for long term debt analysis is still being worked on as components of the spending projects are still changing.

Town Administrator Report: Tim reported that state revenue is lagging the forecast but at this point, no changes in Chapter 70 funding have been announced. Tim shared a memo from the MA Department of Revenue that indicates that Harvard will receive \$616,817 in free cash.

Tim distributed the draft Warrant for the Special Town Meeting. Article 3—Contract(s) – Wages and Expenses required committee discussion. This article will fund DPW collective bargaining agreements and Tim estimated it will be less than \$14,000. It was moved we support this request, funding through raise and appropriate. The motion was voted in favor unanimously. Article 7 will refurbish the pumper truck, but all cost estimates of the repair, replace, or lease options have not been finalized in writing yet.

Finance Director Report: Lorraine was not present.

Liaison Reports:

- **Hildreth House Improvement Committee**—Bruce shared their plan to propose a \$1.2MM budget for accessibility and safety issues, about \$300,000 lower than their previous estimate. He also noted there will be a Poor Farm property development public hearing on November 12 at 7PM to review plans to build a 30 unit affordable housing project.

Other Business: None.

Next Meeting: We will meet at 6:30PM, October 29 prior to the Special Town Meeting at the Cronin Auditorium. Our next regularly scheduled meeting will be at 7PM on November 5.

The meeting adjourned at 9:10 PM.

Respectfully submitted,

John W. Seeley, Secretary