



**Town of Harvard**  
**Finance Committee**  
Minutes for May 1, 2019

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**Location:** Upper Town Hall Meeting Room - 13 Ayer Rd

**Present:** Members of the School Committee, Select Board, Finance Committee, and School Administration, and Town Administration.

**Clerk's Note:** This meeting began as a joint Select Board, School Committee, and Finance Committee meeting. The notes for the beginning of the meeting were chaired by the Select Board, and the minutes for the Finance Committee will appear noted below that. The notes for the beginning meeting should not be considered official, but informational only.

Joint meeting called to order by Select Board Chair Lucy Wallace at 7:06pm.

**Supporting Document 1:** Memo from Tim Bragan regarding FY2020 budget deficit. Due to an unexpected increase in enrollment from HPS to Parker Charter schools - the budget from the state cherry sheet draft currently shows an additional assessment of \$88,793.

Tim's proposed options:

- 1) School could cut their budget by net amount of cherry sheet changes: \$88,793.
- 2) School could cut their budget by \$19,729. (total omnibus deficit).
- 3) School proposed reducing the Town's Reserve Fund to cover the deficit.
- 4) Town could cut their budget by \$19,729.
- 5) We do nothing and let this play out during the state budget process.

The Town was attempting to keep a ~\$69k surplus buffer to allow for the senior tax aid and SMART trash program first year uncertainties.

We are allowed to "do nothing" since we don't have the State Senate's budget yet. This would only be for this year - and we know this is going to be an ongoing thing - Charter school students have the option of staying until graduation. We need to be balanced by Jun 30. Conference Committee on Cherry Sheet is the final decision from the State.

Risks of each option:

- 1) If the school cuts their budget by \$88,973, it would increase the Town's saved surplus for the tax aid program and SMART program unknowns.
- 2) If the School cuts their budget by \$19,729 it leaves no money for tax aid or SMART unknowns and potentially raises property taxes in the fall.
- 3) Reducing the Town side Reserve Fund. These cannot be used since they are not unforeseen in the budget. We can opt to fund it lower, however. Tim notes that the School has \$300k-\$400k in reserve for SPED costs and could fund that lower before lowering the Town's side reserve. Money unspent from the Town side reserve fund returns to free cash at the end of the FY.
- 4) Cut the Town cut budget by \$19,729.  
Tim: we've already cut \$197k - 3.1% cut. I don't recommend. It's there as an option, but it's not my decision.
- 5) Wait and do nothing. The State Senate budget is always more favorable to towns than the House and Governor's budget, but it could go either way.

Discussion regarding overlay fund, tax rate increases, and the hesitancy to do more budget cuts. Lucy notes that in the future years, this will have to be added into the budget. Charles suggests a \$20k budget cut instead of using money from the Reserve Fund that is supposed to be a backstop. School Committee Chair SusanMary Redinger states that the Charter school assessment does not appear on the school's budget. Tim notes that the Chapter 70 money doesn't either. If the Reserve Fund is depleted, the deficit is carried to the next FY and is the first thing paid out of the budget.

Stu Sklar proposes taking \$100k from the reserve fund. Mark amends to \$20k, which is seconded by Don. This year, we do not anticipate using all of the reserve fund, but that is FY2019. We have \$180k pending for snow removal and this was a mild winter. In 2018 snow removal was \$400k and we had to have a special town meeting to pay for it out of the Capital Stabilization Fund.

11 votes for the \$20k reduction in the reserve fund, with Stu opposed.

Article 12 (Reserve Fund funding) at ATM will be reduced from \$350k to \$330k.

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**Clerk's Note:** The Finance Committee moved to the small meeting room in upper town hall. Don Ludwig (chair) called the meeting to order at 7:34pm.

**Present:** Don Ludwig (chair), John Seeley, Mark Buell, Jennifer Finch, Charles Oliver, Siko Sikochi

**Absent:** Richard Fellows, Ray Marchia, Lori Bolasevich

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

#### **Minutes:**

Minutes of Mar 6, 2019 - Motion from Mark/Siko, approved as amended.

Minutes of Mar 13, 2029 - Motion from Mark/John, approved.

Minutes of March 20, 2019 - Motion from Don/Mark - approved as amended.  
Minutes of Mar 30, 2019 - Motion from Mark/Siko - approved.

**Public Commentary:** None

**Town Administrator's report:** Tim Bragan and Marie Sobalvarro

**Document 2** - IT upgrade proposal for CPIC.

- a) Upgrading old/obsolete hardware: \$27,225.
- b) Transitioning newer machines to Windows 7: \$4,800.
- c) Purchase of Police Dept server, switch, and associated setup and maintenance: \$17,260.
- d) Extending fiber loop to DPW: \$12,784 plus configuration: \$TBD.
- e) Fiber from DPW to Transfer Station hut: \$11,140, plus configuration \$TBD, less Community Compact \$10k.

\$67,209 asked, \$77k is the total, \$10k from Community Compact IT strategy grant will be applied. Town Hall wants all machines to be more stable and upgraded before getting a new IT contractor.

Adding fiber to DPW shack - to use tablets, to be able to charge directly instead of using the punch card system. Also possibly sell PAYT bags there.

A vote was accepted unanimously to approve the \$67,209 IT upgrade proposal on a motion from Jennifer and Don.

**Document 3** - Summary of Warrant Articles

ATM motion presentation assignments:

- Article 6 - Stabilization Fund Funding - Mark Buell
- Article 11 - Omnibus Budget - Alice with Don as backup
- Article 12 - Reserve Fund Funding now at \$330k - Siko
- Article 20 - CPIF Funding \$40k - John
- Article 21 - Transfer from certified free cash to CSIF - John
- Article 35 - Revolving Funds - Jennifer

Other articles only have a FinCom representative as a backup if needed.

**Finance Director's report:** Lori Bolasevich was not present.

**Liaison Reports:** Don - School Building Committee: Construction has started and the 90% documents submitted and comments back, dirt has been hauled away.

Mark and Jennifer: Municipal Vulnerability Preparedness - Mark and Jennifer agreed that the consultant facilitating the meeting seemed inexperienced and ill prepared. It remains to be seen as to what if any grants the Town may apply for.

**Other business:** Don, Mark, Charles note that they had wanted to ask the School Committee about the MacBooks/Ipads. Siko will be away from Jun 15-Jul 19. Charles had to leave early and was not present for the last vote of the meeting.

**Future agenda items:** Discuss rating chart - review CPIC's for ideas.

**Adjournment:**

Motion to adjourn made and approved unanimously. Meeting adjourned at 9:37pm.

**Supporting documents (3 Total):** 1: Memo from Tim Bragan regarding FY2020 budget deficit. 2: IT upgrade proposal for CPIC. 3: Summary of Warrant Articles.

**Upcoming meetings:**

June 5, 2019 7pm - Upper Town Hall Meeting Room

June 19, 2019 7pm - Hildreth House

July 10, 2019 7pm - Upper Town Hall Meeting Room

Respectfully submitted,  
Jennifer Finch