

## **Finance Committee**

Meeting Minutes

June 25, 2019

7:30 PM

Town Hall – Room 204

**Present:** Christi Andersen, Jason Cole, Mike Majors, Sahana Purohit, Christine Russell, Steve Noone, Al Vlajinac (Associate), Dave Wellingshoff

**Absent:** Roland Bourdon, Tom Farley

### **1. Opening**

Vice-Chair Christi Andersen opened the meeting at 7:31 PM

This meeting was recorded by Acton TV.

### **2. Public Participation**

Terra Fredericks spoke. She was interested in the subjective residential growth agenda item that was supposed to be scheduled for tonight's meeting but had been postponed to include staff research. Roland has asked her for an outline of expectations for that item. She listed:

- FTE's per 100 people, over time
- # of acres being developed per year (water independence)
- Need for this info before July 24<sup>th</sup> Housing Forum

### **3. OPEB Overview**

Committee member Steve Noone gave a presentation on **Other Post-Employment Benefits: Life insurance & health care premiums** the Town is required to pay for retirees.

- These benefits were previously paid as needed, but accounting standards have changed.
- Town is now required to estimate the amount it will pay out for these benefits in the future & include that amount as a liability on its accounting balance sheet.
- Listing OPEB as a liability is required. Funding it is not required at this time, but limiting liability is important for the Town's bond market status.

The current state of Acton's OPEB:

- The amount expected to be paid out in the future for benefits earned during the year is included in the budget going forward.
- The amount that will be needed to pay benefits earned by current & past employees prior to the new accounting standard was calculated & is paid down through the annual budget.
- Acton has been proactive in funding - top 10% of Municipalities in MA.

Finance Committee Concerns:

- Acton's OPEB burden was reduced by about 2/3 after school regionalization. ABRS is not on schedule to fund its OPEB liability in the foreseeable future. Budgeting changes need to be made.
- OPEB funding may become a requirement in the future.

- FinCom plans on addressing OPEB funding with ABRS again & ways to increase liability pay down.

#### **4. Point of View Drafting Group**

Christine Russell went over the draft POV presentation again. She has been updating the draft presentation based on feedback obtained from the Committee as a whole.

- She showed several slides from last year's presentation with updated data from this year.
- The Committee discussed how to best depict the tax burden, what data is most relevant, & what charts/graphs to use.
- Debt service slides can't be finalized until after the Special Town Meeting in December.
- OPEB slides need to be adjusted based on FinCom's recommendation to ABRS.

Vice-chair Christi Andersen brought up the need for a subcommittee vs dividing up the POV work among FinCom members to work on as individuals. The POV Drafting Group subcommittee was kept in place with Jason Cole as clerk.

#### **5. Summer Meeting Schedule**

The Committee discussed reducing meeting frequency over the summer, but decided to maintain a normal schedule. There is only 1 month of summer left & the Committee is on track with all of its anticipated agenda items so far.

#### **6. Finance Committee Business**

##### **A. Approval of meeting minutes**

- The May 28<sup>th</sup> minutes were reviewed and approved as amended.
- The June 11<sup>th</sup> minutes were reviewed and approved.
- It was questioned if the approval of the June 12<sup>th</sup> minutes would be valid in regards to open meeting law. A motion to approve was made but withdrawn for safe measure. Those minutes will be voted again at a future meeting.

##### **B. Committee Liaison Reports**

- Committee Members who are liaisons to Committees that met during the interim between last FinCom meeting and this meeting gave reports as to what occurred at those meetings.
- Jason Cole will now be the Finance Committee Liaison to a subcommittee of the School Committee Twin School Building researching bonding interest rates. He will be scheduling a presentation for FinCom.
- Board of Selectmen liaison to FinCom, Jon Benson, reported on recent BOS & Zoning Board of Appeals meetings. He will be mailing the group an update on the Kmart parcel.

#### **7. Adjournment**

At 9:33 PM, it was moved and seconded to adjourn the meeting.

#### **Documents and Exhibits Used During this Meeting**

OPEB Slideshow  
FY20 POV Slideshow  
May 28<sup>th</sup> minutes  
June 11<sup>th</sup> minutes  
June 12<sup>th</sup> minutes  
Kmart 2 update being mailed

Respectfully submitted,

Finance Committee