

**FINANCE COMMITTEE Meeting**

TOWN OF ASHLAND

**DRAFT** MINUTES

May 31, 2016

Ashland Town Hall

**Members Present:**

Dan Conroy, Chair  
Maribeth Morrissey, Vice Chair  
Ryan Turncliff, Secretary  
Jack Walsh

**Also Present:**

Michael Herbert, Town Manager  
Britanny Iacaponi, Finance Director

Steve Morgan  
Jim Hanna

The Finance Committee meeting was called to order at 7:19 PM by Dan Conroy.

**Public Comment**

Mr. Morgan

- Inquired about the timing of the OPEB Stabilization Fund transfer at the end of the year and why it did not go to free cash.
- Brought to the attention of the Finance Committee that there are capital funds awaiting for year end projects in amount of \$100,000

Mr. Hanna

- Would like to know how we are going to cover OPEB Liability while also covering the new OPEB responsibilities related to new employees

**Discussion of OPEB Stabilization Fund**

- A fund transfer of \$62,500 is requested from the Finance Reserve Fund to the OPEB Trust
  - Following transfer, \$387,000 will remain in the Finance Reserve Fund
- The OPEB Stabilization fund accepts free cash and is being utilized to pay down the OPEB liability
- The OPEB Trust is being started to contribute into for each new employee that is hired
- The timing of the transfer into the OPEB Trust at the end of the year is consistent with a firm understanding of how many employees were actually hired (rather than basing the contributions on projected hires at the beginning of the fiscal year).
- There were 15 new employees, requiring a contribution of \$62,500
  - The OPEB Trust contribution is not salary based and changes with each actuarial evaluation - \$4,200 / employee in 2016
- FY 17 Funds are already budgeted
- OPEB Liability
  - The current outstanding liability is \$36M

- We are paying \$1M/year on an annual basis
- Motion to transfer \$62,500 from Finance Reserve to the OPEB Trust: Jack Walsh
- Motion seconded: Maribeth Morrissey
- Vote: 4-0 in favor

**Next meeting:**

June 21, 7pm.

**Adjournment**

The meeting was adjourned by Dan Conroy at 7:45 PM (Motion seconded by Jack Walsh); all were in favor (4-0)

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