

**TOWN OF SUDBURY MASSACHUSETTS
STRATEGIC FINANCIAL PLANNING COMMITTEE FOR OPEB LIABILITIES
MINUTES
Monday, June 25, 2014**

Present: Selectman Lawrence W. O'Brien, Selectman Charles C. Woodard, L-S School Committee member Kevin Matthews, Finance Committee member Mark Minassian, SPS Committee member Lucie St. George, Town Manager Maureen G. Valente, Assistant Town Manager Maryanne Bilodeau, Finance Director Andrea Terkelsen Absent: Glenn Fratto, William Kneeland and Mary Will.

The statutory requirements as to notice having been complied with, the meeting was convened at 9:00 a.m. in the Silva Room, Flynn Building, 278 Old Sudbury Road.

Mission Statement

The first item was to review the Mission Statement of the OPEB Committee. Hardcopies were distributed of this document that highlights the Mission Statement, membership, staffing assistance, tasks and compliance with State and Local Laws and Town Policies. Part of the membership is to have a member from the community who has specific expertise that will be useful for the committee. Part of our plans will be to bring in the OPEB expert Linda Bournival, to meet with us. Because this material is technical, with many details and moving parts, it can be confusing as to what the funded and the pre-funded amounts are comprised of. If this visit is scheduled, members are asked to prepare questions to best make use of her time.

Meetings

It was proposed that this committee meet twice in July. The dates of the next two meetings are:

July 9, 2014 from 8:00 AM to 10 AM

July 23, 2014 from 8:00 AM to 10:00 AM

Future meetings will be twice a month, with the exception of the month of August.

The members were asked to read and study the handouts, focusing on the PowerPoint presentation from the Lincoln-Sudbury Regional High School and the Town/SPS last OPEB Audit reports.

Goals and Tasks of the OPEB Committee

One goal for this Committee is to have at least two articles for this year Town Meeting. A copy of Lincoln-Sudbury Regional High School Post-Employment Benefits Program was shared with each committee member. Other neighboring towns have done similar planning. Good examples to look at are the Town of Needham and the Town of Wellesley. Ms. Valente stated that the tasks ahead are to begin to fund the unfunded liability. (The sooner funding is begun, the more interest will be accumulated, the less tax dollars you have to ask for). Taxpayers should pay the "normal cost" setting aside money for today's employees. Regarding unfunded liability for employees who have worked in the past, how can this liability be managed? Some picked up by current and more by future employees? Cost sharing? Employment decision? Cost management data shows that it is more economical to have a full-time employee, rather than two (20 hour) part-time employees.

Expectations of OPEB Committee

The following is a list of opinions from the group:

1. Plan for past liabilities.
2. Do work at deliberate speed, advance of contract negotiations in terms of Cost Management;

3. Specific Actionable Articles for Town meeting
 - a. HI Trust \$
 - b. Fixed Funding Stream
4. Get close coordination with LS (including Lincoln)
5. Active work with LS on cost management
6. Give critical info for labor negotiations prep and action;
7. Give critical info (education) to taxpayers/public on issue.
8. Issue report from OPEB Committee
9. Think about how we got here/choices made in past years
 - a. Accounting profession
 - b. State laws and guidance/requirements
 - c. Other municipalities
 - d. Capital impact (for years we didn't fund capital projects)
10. How to communicate to/with employees
11. Use Town Forum to discuss this topic
12. Identify potential impact on Town/School Services
13. How to convey/sell our efforts/recommendations
14. Have clarity on what OPEB funds and does not fund
15. Get update on legislative status/educate legislators
16. Develop a basic explanation
17. Develop an OPEB web page with Town/SPS and L/S OPEB information

Election of Chair

Selectmen Charles Woodard nominated Selectman Lawrence O'Brien for Chair, this was second by Ms. Valente.

It was on motion unanimously

VOTED: Selectmen Lawrence O'Brien as Chair of the OPEB Committee.

Election of Vice-Chair

Ms. Valente nominated Kevin Matthews as Vice-Chair, it was second by Lucie Saint George.

It was on motion unanimously

VOTED: Kevin Matthews as the Vice-Chair of this Committee.

Election of Clerk

Ms. Valente nominated Andrea Terkelsen as Clerk of this Committee.

It was on motion unanimously.

VOTED: All in Favor to elect Andrea Terkelsen as the Clerk of this Committee.

There being no further business, the meeting adjourned at 10:09 a.m.

Attest: _____
Andrea Terkelsen, Committee Clerk