I. **Call to Order**
Chair Vaill called the meeting to order at 7:32PM in the Second Floor Conference Room. Present were Tim Vaill, Tom Hartwell, Paul MacKay, Melissa Danisch, Kevin Connors and Dan Esdale (arrived late.) Also present were Eugenie Moffitt, Finance Committee, Patrick Lawlor, Director of Administrative Services, Donna Walsh, Finance Director. Absent were Greg Eliasen and Joe Guilmartin. The meeting was taped and live cablecast.

II. **Approval of Minutes – October 30, 2019**
Upon motion duly made by Mr. MacKay and seconded by Mr. Hartwell, it was unanimously voted to approve above minutes. Motion passed 5-0.

III. **Review of Task Force Work Plan**
Mr. Vaill outlined the progress of the work plan with a followup presentation beginning with Mr. Lawlor addressing OPEB and health insurance. He also noted that Mr. MacKay would be updating the task force on the progress of the draft report which he had emailed earlier.

IV. **Followup Presentation on Other Post Employment (OPEB)/Health Insurance - Mr. Lawlor**
Mr. Lawlor continued with the second phase of OPEB and health insurance (see attached.)

Discussion ensued including a) active employees that retire automatically become eligible for OPEB; b) the annual contribution to retirement increase by 2.5% each year (started in 2016) may need to be increased further in order to be fully funded by 37 years, now 33 years; c) consideration of investigating a closed funding schedule thereof; d) the employee contribution of 1% (unfunded liability offset) may be applied to OPEB; e) actuarial valuation every year instead of every two years in order to make more realistic assumptions; f) consideration of going out to market again for health plans to replace self-funded; g) conceptual funding plan of paying down pension liability before OPEB; g) clarifying detailed assumptions of present actuarial report with consultant; and h) creation of permanent OPEB committee to oversee administration of fund investment which would necessitate a change in current statute to have members elected by ballot.

Other points of discussion were: a) anticipated municipal modernization reform phase II that may change this statute; b) challenging norms and status quo; c) transition to defined contribution plan rather than defined pension benefit which would also necessitate home rule petition; d) employee benefit buy out; e) changing qualifications for eligibility from part-time to full-time and the advantages of OBRA contribution and employer match; f) document business and financial controls; g) in a union-heavy state what would be effect of these
changes on employee hiring and retention; h) necessity of developing a global firm plan and engage residents in the dialogue; i) reporting all-in costs of total compensation of new hires including pension, health, OPEB etc.; j) impact of new hires on average tax bill and its sustainability; and k) and 75% of budget is for compensation.

V. Draft Report – Mr. MacKay
Mr. Vaill asked for feedback from the task force on the draft report. Members found the report easy to follow and digest and reflective of the work of the task force and a learning tool for residents. Mr. MacKay will generate an encapsulated executive summary to speak to the recommendations and easily extracted as a separate document. Mr. Vaill reiterated that the role of the task force is to support management and work cooperatively with the role of the Finance Committee. Other points of discussion included: a) adding historical data that shows the development of the budget showing “how we got here”; b) not “getting too far out over our skis” in the report; and c) ability of report to clearly elucidating the problem and not clearly elucidating the solution, but only alluding to solution; and c) looking forward to work to be done next year and leading public discussion now and into the future.

Mr. MacKay will continue drafting the report, email to the task force and ask for one-on-one feedback by email.

VI. Future Meetings
Mr. Lawlor will send out a doodle poll for the next meeting since previously scheduled November 14th does not work for members.

Adjournment
Upon motion duly made by Ms. Danisch and seconded by Mr. Connors, it was unanimously voted to adjourn. Motion passed 6-0. Meeting adjourned at 8:58PM.

Respectfully submitted,

Christine Martin Barraford
Recording Clerk

Attachments: Mr. Lawlor’s Followup OPEB/Health Insurance Recommendations