

**TOWN OF PROVINCETOWN – OPEB TRUST COMMITTEE**  
**MEETING MINUTES: MONDAY, AUGUST 20, 2018 10:00 AM**  
**TOWN HALL – CAUCUS HALL**

Chair Cliggott convened the open meeting at 10:03 am noting the following:

**OPEB Trustees Attending:** Chair Doug Cliggott, Finance Director Josee Young, Town Manager David Panagore, Payroll & Benefits Manager Jody Hoffmann, Select Board Liaison Lise King.

**Staff:** Treasurer Alexander Williams

**Absent:** None

**Recorder:** Temporary – Treasurer Alexander Williams

**1. Public Statements (none)**

**2. Review June 2018 SRBT OPEB Trust Bank Statement & Life-to-date Performance**

Treasurer supplied overview of current balance and performance of OPEB Trust, stating that fiscal year earnings were 9.58%. Considering the earnings assumption of 7.5% the Trust is performing well. Treasurer noted that management fees account for around 0.5% of the balance, leaving a net earnings percent around 9% for the last fiscal year.

Life to date earnings remains solid, with this past fiscal year only slightly underperforming the previous fiscal year. Town Manager Panagore asked for breakdown of management fees by type – Treasurer will e-mail breakdown to committee.

Select Board Liaison King inquired about any securities that the state (or its subunits) choose not to invest in, such as corporations involved with plastics, fossil fuels, etc., and whether this is something that the state currently reviews or could be something that they review upon requests from municipalities. Chair Cliggott will do additional research on this item through the State Treasurer’s Office.

Current balance as of 06/30/18 in the OPEB Trust was **\$3,237,709.65**

**3. Approve Minutes of February 22, 2018 and June 25, 2018 Meetings (moved out of order to number 4)**

Town Manager David Panagore moved to approve the 02/22/2018 Minutes as written. Chair Cliggott seconded.

**VOTED**

<b>In favor (approve):</b>	<b>5</b>
<b>Oppose (does not approve):</b>	<b>0</b>
<b>Abstain:</b>	<b>0</b>

Town Manager David Panagore moved to approve the 06/25/2018 Minutes as written. Chair Cliggott seconded.

**VOTED**

<b>In favor (approve):</b>	<b>5</b>
<b>Oppose (does not approve):</b>	<b>0</b>
<b>Abstain:</b>	<b>0</b>

#### **4. New Business: County OPEB Valuation Report Discussion**

The committee reviewed and discussed the current OPEB liabilities of all component parts of Barnstable County involved with the county valuations and compared Provincetown with its peers. Provincetown is third among Towns and fifth overall. Treasurer noted that not all municipalities may have a consistent funding schedule as we do, and stated that it is possible and likely that Provincetown continues to move up in “ranking” if we stick to our current funding schedule.

Finance Director Young noted that the numbers utilize prior year data and Provincetown will have updated data on itself by the end of the current fiscal year.

Select Board Liaison King asked whether OPEB funding was mandatory by law currently, and Finance Director Young noted that it is not currently mandatory to fund, but could be in the future. Chair Cliggott noted that mandatory reporting began this past year.

#### **5. New Business: OPEB Costs – Budget Breakdown, Town Staffing**

Chair Cliggott mentioned that during the budget process it would be beneficial to transparency to see the breakdown of retirement/health/opeb costs sectioned with each department to get a better view of what personnel expenses exist within each division of the Town.

Town Manager Panagore and Finance Director Young noted that the data is estimated, and a true cost by employee would be difficult to calculate as it is constantly changing. Town Manager Panagore noted that it may cause unintended negative focus on particular departments with large staff numbers or with staff on more expensive health insurance plans (family).

Chair Cliggott mentioned the Coast Guards diminishing staffing levels and something for us to think about and stated that this has and could continue to have an effect on the Town’s required staff at the harbor in order to continue offering services necessary to the Town.

#### **6. OPEB Contribution Timing for FY2019**

At a previous meeting it was concluded that the OPEB transfer into the Trust Fund would occur at the end of September to be invested during the month of October. Select Board Liaison King asked whether there would be interest earnings on the fund until it is wired to the Trust, as the funds became available in July. Treasurer noted that in the past it had not earned its own interest historically until the wire was completed, but this is not mandatory and it can retain its general money market interest (currently 1.9%) for FY2019. Treasurer will post interest monthly, and it will go into the SRBT Trust once the wire is completed in September.

#### **7. Next Meeting**

An e-mail will be distributed by the Treasurer to all members to request timing preferences for a Fall (October) meeting.

**Without objection the meeting was adjourned at 11:03 am**

Minutes transcribed by: Treasurer AW