

**TOWN OF PROVINCETOWN - OPEB
MEETING MINUTES
MONDAY, AUGUST 21, 2017 9:00 PM
TOWN HALL – JUDGE WELSH ROOM**

Acting Chair Erik Yingling convened the open meeting at 9:04 am noting the following:

OPEB attending: Acting Chair Erik Yingling, Town Manager David B. Panogore, Treasurer Alexander Williams, Finance Director Josee Young, Pay Account Manager Jody Hoffman, and Trustee Douglas Cliggott
Recorder: Elizabeth Paine

- 1. Public Statement**
- 2. Signing of Trust Agreement for FY2018**

TM – Signing of the original agreement. Because the trustees have to be sworn in, can we just have this added to the Trustee card?

- 3. Establishment of an OPEB Trust Chairperson for FY2018 – votes may be taken on the following items**

Acting Chair Yingling - I will entertain a motion to nominate a chair. Acting Chair Yingling asked Mr. Cliggott how he would feel about being Chair. Mr. Cliggott would like to nominate Treasurer Williams. At this point he cannot accept the nomination because the Board of Selectmen has to appoint him as an active member, right now he is a non-voting member.

Erik Yingling moved that the OPEB nominate Douglas Cliggott as Chairman

Town Manager Panagore seconded the motion.

VOTED

In favor: 5
Oppose: 0
Abstain: 0

Motion passed

- 4. Review of if OPEB Trust Fund bank statement for June 30, 2017;**

Chair Cliggott asked Treasurer Williams to give an overview of the Trust Fund Bank Statements. The trend seems to show that August is a slow month for the fund. Money becomes available July 1st and generally gets put into the accounts in October. In theory it could go in July 5th and it was held off because, statistically, you get a better price in early October. Discussion ensued.

Chair Cliggott – move that the OPEB to direct staff to make the investment of FY18 annual appropriation the 1st week of October
Yingling seconded the motion

VOTED

In favor: 5
Oppose: 0
Abstain: 0

Chair Cliggott - What is the rate of the cash flow? The Federally Treasury is slowly raising the interest, we are only talking a half of percentage point, but on a large amount, is it an option to put it into their sweep account?

Chair Cliggott move that the OPEB direct staff to investigate with Prim to holding those funds in a sweep account.

Town Manager Panagore seconded the motion

VOTED

In favor: 5
Oppose: 0
Abstain: 0

Chair Cliggott – I have done this in the past, how do we lower the deficient, we looked at this in a spreadsheet. The town adopted requiring retirees to go on Medicare B when they reach 65. The trajectory of health care cost and retiree cost, it is very likely in 15 years, we can either get rid of two police officers, pay the retirees health insurance or raise the taxes. We had an arc from 2012, what our unfunded liability of retiree health insurance was going to be in 25 years, so we worked backwards and looked at what a realist investment would be.

JH – was there any projection to compensate how many retirees you would have in that time frame.

DP- in CT we created a live Trust. We put in current expenses and took out annually.

Discussion ensued.

5. Discussion regarding FY2018 Town/Pier Contributions to the Fund

JY – who decided that they would increase their OPEB contribution by 10%. There is something in written about this. Enterprise fund should be calculated every year.

DP and EY – I believe this would have been a Dan Hoot discussion.

DC – is your calculation done based on the number of employees? Is the difference of your amount and the amount agreed upon around 5%? It seems to be very high, their percentage of going into the trust.

JY – it is based on salaries and retirees. It is something to consider the next time. They are locked in to an agreement unit FY2018. I believe it is based on the AB

Town Manager Panagore moved that the OPEB Trust send a notice to the Pier Corp that their contribution to the OPEB is under review and will be discussed and looked at for review.

Mr. Yingling seconded the motion

VOTED

In favor: 5
Oppose: 0

Abstain: 0

EY – the last meeting we had, we talked about using local banks when possible.

JY- we have stated the talks with Seaman's, they would have to offer positive pay for us to sign with. We are also going to be talking with Cape Cod Five.

DC – I am hoping that your discussion with Seamen's bank is that you will match the percentage rate.

6. Any new business or any item not listed within this agenda but brought forward for discussion by any trustee.

NONE

Next meeting with be Monday October 2, 2017 at 3 pm.

Without objection the meeting was adjourned at 9:55 am

Minutes transcribed by: Elizabeth Paine