

**TOWN OF PROVINCETOWN – OPEB TRUST COMMITTEE**  
**MEETING MINUTES: MONDAY, FEBRUARY 11, 2019 10:30 AM**  
**TOWN HALL – CAUCUS HALL CONFERENCE ROOM**

Chair Cliggott convened the open meeting at 10:38 am noting the following:

**OPEB Trustees Attending:** Chair Doug Cliggott, Town Manager David Panagore, Finance Director Josee Young.

**Staff:** Treasurer, Alexander Williams.

**Absent:** Payroll & Benefits Manager Jody Hoffmann, Select Board Liaison Lise King.

**Recorder:** Treasurer, Alexander Williams.

**1. Review December 2018 SRBT OPEB Trust Bank Statement/Historical Performance.**

The Treasurer discussed the current balance of the OPEB Trust Fund, **\$3,795,768.71**, noting that December was a particularly hard-hit month in terms of unrealized losses. The two and a half year look-back showed average earnings of 6.61% annually. Chair Cliggott noted that we are fortunate to receive an average rate of return around six percent, and that a range of four to six percent should be assumed instead of the current discount rate used for liability calculations: 7.25%. Chair Cliggott noted the cyclical nature of our investments and the market, which was displayed with the unrealized gains/losses during certain months of the current fiscal year.

**2. Discuss Discount Rate Currently Used in Future OPEB Obligation Calculations.**

Chair Cliggott provided an in-depth analysis into many different possibilities of the future of our fund depending on the amount that we fund as well as the earnings we receive on our investments. The importance of funding the OPEB Trust and utilizing a realistic discount rate was solidified. Chair Cliggott noted that our current OPEB liability is \$3MM lower than what it was anticipated to be in 2013. The committee agreed that our liabilities are lower directly because of the focus that Provincetown has put into funding the obligation.

Chair Cliggott stated the importance of remaining steadfast in our commitment to ensuring that funds remain allocated to support the Trust Fund.

Multiple spreadsheet simulations on different possibilities for future funding and earnings were conducted.

**3. Public Statements**

None

**4. Approve Minutes of December 10, 2018 Meeting.**

Town Manager David Panagore moved to approve the 12/10/2018 Minutes as written. Chair Cliggott seconded.

**VOTED**

<b>In favor (approve):</b>	<b>3</b>
<b>Oppose (does not approve):</b>	<b>0</b>
<b>Abstain:</b>	<b>0</b>

**5. New Business.**

Chair Cliggott noted two questions to be reviewed going forward:

The “true-cost” used when considering what new employees cost the Town, including health insurance costs.

The unfunded pension liability of the Barnstable County Retirement System.

**6. Next Meeting.**

It was noted that a meeting before Town Meeting might be necessary if the Committee needs to recommend/not recommend any articles.

**Without objection the meeting was adjourned at 11:18 am**

Minutes transcribed by: Treasurer AW