

TOWN OF CARVER
BOARD OF SELECTMEN SUBCOMMITTEE
OPEB (Other Post-Employment Benefits) STUDY COMMITTEE

MEETING MINUTES - Tuesday August 19, 2014

(Approved by a vote of 3-0 on September 30, 2014 – submitted by Stephen Pratt, Chairman on October 1, 2014)

Meeting opened August 19, 2014 at 6:05pm and adjourned at 7:15pm

Stephen Pratt, Joseph Patten, Bruce Kaiser, Paul Johnson and Paula Nute all present

The primary purpose of this meeting was for the committee to discuss requested meetings by Town Administrator Michael Milanoski with the Finance Committee (pertaining to Longfellow Benefits independent review of health plans offered through Gateway Health Group and contributions), Governance Committee, Plymouth County Treasurer Tim O'Brien (pertaining to OPEB liability and include PCCRS pension status) and the BOS presentation on recommendations and options available to the TOC.

Bruce believed we should be an informational committee and the BOS members should make recommendations based on what is provided. Steve agreed any votes of the committee could not be binding but felt we should provide options for the BOS to take action.

Joe felt we needed to get the facts out there and the Finance Committee had not conducted any research on pensions or health insurance costs (with the exception of engaging Longfellow Benefits in a review which has to be made public). Paul pointed out these “unfunded” costs are being added “to the pile” and suggested we look into whether a By-Law could be written stating after Fiscal Year XXXX no more increases to our liabilities. He is asking for a plan and guidance to be provided to the BOS.

We all agreed we should meet with Finance Committee in preparation for a BOS presentation. Steve will contact Tom O'Brien as there appears to be confusion over Plymouth County's involvement with Town of Carver OPEB liability versus Pension liability. And Steve will discuss further with Michael over the need to speak to the Governance Committee. All seemed to feel since John Cotter and Dick Ward are on the Governance Committee, perhaps a joint meeting including the Finance Committee and Board of Selectmen prior to the presentation would be beneficial. Further discussion of BOS presentation content and review of the GASB 45 July 1, 2013 valuation were tabled until the next meeting.

Other questions posed were how does a municipality “prefund” the OPEB Liability without impacting services; Status of MA Legislature Bill H.59 “**An Act providing retiree healthcare benefits reform**” - <https://malegislature.gov/Bills/188/House/H59> is still in committee; Current active, retiree and surviving spouses contribution percentages are at 25%.

Paul suggested an OPEB and Pension spectrum might highlight the problem to include salaries and other compensation; pensions, benefits, insurances contributions by Town and State; and Trust Fund to quantify total personnel costs.

Next meeting will be scheduled for September 16th from 6pm to 8pm.

Meeting adjourned at 7:15pm (Bruce motioned and Paul seconded with a 5-0 vote)