



**Town of Amherst
Finance Committee
Financial Advisors' Presentation of Actuary and Debt
Tuesday, April 23, 2019
Town Room, Town Hall
4 Boltwood Avenue**

Minutes

Complete video is available online: <https://amherstmedia.org/content/amherst-finance-committee-42319>

1. Call to order and declaration of a quorum

President Griesemer declared the presence of a quorum and called the meeting to order at 2:03 p.m.

Councilor Steinberg called the Finance Committee to order at 2:04 p.m.

Councilors present: Councilors Bahl-Milne, De Angelis, Griesemer, Pam, Ross, Schoen, and Steinberg.

Councilors absent: Councilors Brewer, DuMont, Hanneke, Ryan, Schreiber, and Swartz.

Councilors participating remotely: None

Others present: Clerk of the Council Margaret Z. Nartowicz, Actuary Dan Sherman

President Griesemer announced audio and video recording by Amherst Media.

Introductions: Councilors, Dan Sherman, Actuary and David Eisenthal, Financial Advisor, UFASI

2. Presentations and Discussion

a. Finance Committee Meeting – Financial Advisors: Actuary and Debt

Presentation - Post Retirement Benefits Actuarial Valuation

Councilor Pam asked about adequate funding thresholds. Mr. Sherman responded that the Town is doing well.

Mr. Sherman gave an overview of actuarial assumptions.

Councilors discussed health care cost increases and retiree subscribers to Medicare.

Mr. Sherman explained the reduction in the Town's liability. Actuarial assessments take place every 2 years.

At 8.8%, Amherst is ahead of the curve, but the target is higher. In an emergency, the OPEB balance for retiree medical may be tapped. Councilors discussed protecting the trust. Councilor Steinberg stated that responsible funding to OPEB could affect borrowing rates.

Presentation - Discussion of Municipal Finance

Councilors asked about the bond rating, and discussed contributing factors.

Overview of factors in Amherst rating and debt, both outstanding and unissued.

Councilors asked about the option to refinance debt when interest rates are lower.

Councilors discussed debt authorizations and debt exclusions, and a potential \$1 million debt authorization.

Councilor Steinberg asked about borrowing involving MSBA funding will not count towards the 5% debt limit; debt exclusions will also not count towards the debt ceiling.

3. Topics Not Reasonably Anticipated by the President 48 Hours in Advance – None

4. Adjourn the Committee of the Whole

MOVED: Councilor De_Angelis moved, second by Councilor Ross to adjourn the Special Meeting of the Town Council.

VOTED 0-7-0 (Councilors Bahl-Milne, De Angelis, Griesemer, Pam, Ross, Schoen, and absent) to adjourn at 3:57 p.m. on April 23, 2019.

5. Resumed the Finance Committee Meeting (Finance Committee Members)

6. Discussion regarding Non-Voting Residents of the Finance Committee.

The Committee discussed the qualifications and questions recommended to the Outreach, Communications, and Appointments (OCA) Committee regarding the non-voting residents of the Finance Committee.

The Committee also discussed the practice of interviewing developed by OCA and which subcommittee of the Council should be conducting the interviews.

7. Calendar

The Committee reviewed the calendar for the Finance Committee.

8. Adjourn at 5:55 PM.

Respectfully submitted,

Lynn Griesemer, Town Councilor minutes following adjourn of Full Council. Town Clerk for Council portion of meeting.

Record of Agenda Packet Materials and Documents Presented

Agenda Town Council Special Meeting 04-23-2019

Draft questions for Non-Resident Finance Committee candidates