



Finance Committee

April 20, 2021 2:00 p.m.

Virtual Meeting

Minutes

Pursuant to Governor Baker's March 12, 2020 Order Suspending Certain Provisions of the Open Meeting Law, G.L. c. 30A, §18, this meeting of the Finance Committee is being conducted via remote participation.

Members participating remotely: Griesemer, Pam, Schoen, Steinberg, non-voting members Hegner, Kubiak, and Sheffler

Members absent: De Angelis

Others participating remotely: Finance Director Sean Mangano, Clerk of the Council Athena O'Keeffe, Comptroller Sonia Aldrich, Procurement Officer Anthony Delaney, and KMS Actuaries Representative Linda Bournival.

1. Call to order

Steinberg declared the presence of a quorum, called the meeting to order at 2:02 pm, confirmed all participants could hear and be heard, and announced audio and video recording.

Agenda item 3. Review of Auditor Procurement and Selection Process

Steinberg reviewed the memo from the Town Manager that outlined the auditor request for proposal (RFP) and selection process.

Hegner spoke about format of the scope of work outlined in the draft RFP.

Members discussed the experience and qualifications in the RFP.

Members discussed the timeline for posting the RFP.

Members discussed the evaluation and rating system.

Members discussed the role of the committee, the Council and the Town Manager in the auditor selection process.

Mangano stated staff will bring back an updated RFP for the committee to review.

2. OPEB (Other Post-Employment Benefits) Presentation and Discussion

Mangano introduced Linda Bournival, of KMS Actuaries. Bournival presented slides and spoke about the following:

- Bournival's credentials and the firm's experience
- Definition of postemployment benefits other than pensions (OPEB)
- OPEB accounting standards
- GASB standards discount rate
- Purpose of valuation

- Plan provisions
- Key findings
- Membership includes active employees, retired employees and survivors
- Actuarial assumptions: economic, health care, and assumptions
- Financial statement disclosures
- Valuation results: total OPEB liability \$75.2M as of June 3, 2020
- Recognition of Components of OPEB expense
- Controlling OPEB costs and liabilities
- Funding models for prefunding OPEB

Hegner asked about Medicare, and what parts the Town is paying for. Bournival spoke about Medicare supplemental plan that is paid for by the Town, which probably includes prescriptions. The Town also pays a share of Medicare Part B.

Steinberg stated the committee will review the funding plan as part of the budget process.

4. Regional School Budget Discussion and Recommendation Vote

Steinberg spoke about the discussion at the last committee meeting, which included discussion of a meeting with the four towns outside the budget process cycle. Schoen spoke about questions that were not answered at the previous meeting, including staffing and student enrollment numbers with year-to-year trends.

Schoen asked if decisions regarding moving funds from the police department to schools would change the regional school budget, and if those changes would have to come from the Town Manager.

Griesemer stated the Town Manager's budget is due May 3, and once the Council sees the Town Manager's budget the Council can only approve or reduce the budget, they can't move funds from one department to another, and the Council has not directed the Town Manager to do so.

Members reviewed the Council Orders for the Regional School budget.

MOTION: Griesemer moved, second by Pam, to recommend FY22-01, an order approving the ARPS assessment method. Hegner, Kubiak, and Sheffler stated support for the motion.

VOTED 4-0 (De Angelis was absent) to recommend FY22-01, an order approving the ARPS assessment method.

MOTION: Griesemer moved, second by Pam, to recommend FY22-02, an order approving the ARPS District FY2022 budget and appropriating the Town of Amherst share of the budget assessment.

Hegner, Kubiak, and Sheffler stated support for the motion.

VOTED 4-0 (De Angelis was absent) to recommend FY22-02, an order approving the ARPS District FY2022 budget and appropriating the Town of Amherst share of the budget assessment.

MOTION: Griesemer moved, second by Pam, to recommend FY22-03, an order approving the ARPS debt authorization for FY2022.

Schoen stated the Joint Capital Planning Committee recommended the Town Manager consider the solar canopies requested by two high school students, and asked that the Finance Committee report reference that recommendation.

Pam asked about use of CARES Act fund use for a ventilation system. Mangano responded that because they have been on the capital plan for some time, so they may be ineligible for CARES Act funds.

Mangano stated the order does not require a vote unless it would be voted down.

Hegner, Kubiak, and Sheffler stated their support for the motion.

VOTED 4-0 to recommend FY22-03, an order approving the ARPS debt authorization for FY2022. Steinberg stated he would draft the report and send it to members for review.

5. Public comment – *None*

6. Future meetings and FY22 budget calendar

Steinberg noted a change to the budget calendar reflecting the corrected date of May 3 for the Town Manager's budget deadline. The budget will be presented for discussion purposes on May 3, and referred to the Finance Committee. Members discussed members' budget assignments.

7. Topics not anticipated by the Chair 48 hours before the meeting - *None*

8. Adjourn

Steinberg declared the meeting adjourned at 4:39 pm.

Respectfully submitted,

Athena O'Keeffe

Clerk of the Town Council

Record of agenda packet materials and documents presented

8.a. Audit Memo and RFP 04-08-2021

Amherst 2020 GASB 74-75 Report Revised 11-25-2020

Amherst 6-30-2020 Valuation Results PPT V2

DRAFT Audit RFP Review Committee Charge

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