



## Town of Holland, MA – Finance Board

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### *Meeting Minutes*

April 24, 2013

#### **Call To Order**

The Finance Board Chairman called to order a meeting of the Holland Finance Board at 7:35 PM on April 24, 2013 in the Holland Town Hall.

#### **Roll Call**

Finance Board Members present: Andrew Harhay, John Ebersold and Ernest Fancy. Also attending were Town Accountant Tim Harrison, BOS Chairman Jim Wettlaufer, Treasurer Linda Blodgett, and prospective Finance Board members Mike Brady and John Phelps.

#### **Approval of Minutes**

Review/Approval of the draft minutes of the April 10, 2013 Finance Board meeting were delayed until the next meeting in order to get input from member Ken Ference.

#### **Open Issues**

- **Other Post-Employment Benefits (OPEB)**: Tim Harrison provided an overview of the actuarial valuation study (as of July 1, 2012) performed by The USI Consulting Group. This type of study is mandated by the Governmental Accounting Standards Board (GASB) to force municipalities to recognize and quantify the difference between the dollars needed to cover the cost of *promised* post-employment health benefits and what is actually being set aside to pay for these benefits. The growing reality in most communities is that little is being done in a sustainable fashion to 'save' for these obligations. The study estimated that Holland had an Unfunded Actuarial Accrued Liability of \$3.9M and, without action, that liability will increase to \$4.6M by mid-2015. It was recommended that Holland establish an OPEB Trust and start making regular payments to that Trust. The Finance Board voted 3-0 to submit a warrant article to the ATM to establish the Trust. Andy Harhay will provide the appropriate wording of the article to the Executive Secretary.

- Review of Preliminary Budget: The budget was again reviewed to determine if any modifications were appropriate. There has been no new information provided by the State, so Local Aid remains based on the Governor's proposal. Based on a BOS recommendation, the Town Counsel Expenses line was increased by \$10K, with the same amount removed from the General Stabilization line. A question asked of the Accountant was whether funds (~ \$2,500) in the dormant account labeled 'Civil Defense' could be transferred to a new account more appropriately named 'Emergency Management.' It was suggested that an article go to the ATM to transfer the funds and eliminate the 'Civil Defense' account. Jim Wettlaufer indicated that he would develop the warrant article.
- Applicants For Finance Board Membership: The Chairman informed the members that three individuals had responded to the notice indicating that two vacancies currently exist on the Board. The information provided by all three of the applicants was distributed to the current members for their review and consideration.

#### **Next Meetings**

- May 8, 2013
- May 22, 2013

#### **Adjournment**

The Chairman adjourned the meeting at 9:30 PM.

Minutes submitted by: Andrew Harhay, Chairman

cc: Board of Selectmen, Town Clerk, Treasurer, Collector, Assessors, Accountant