

# CITY OF MARLBOROUGH MEETING POSTING

Meeting Name: City Council Finance Committee

Date: April 13, 2015

Time: 7:00 PM

Location: City Council Chamber, 2<sup>nd</sup> Floor, City Hall, 140 Main Street

Agenda Items to be addressed:

RECEIVED  
CITY CLERK'S OFFICE  
CITY OF MARLBOROUGH  
2015 APR -8 A 10:58

1. **Order No. 15-1006159:** Other Post-Employment Benefits (OPEB) Trustees Recommendation pursuant to "Article 14" of City Council Order No. 13-1005335C.
2. **Order No. 15-1006160:** Other Post-Employment Benefits (OPEB) transfer request in the amount of \$5,000,000.00 which will mark the inaugural deposit towards the City's unfunded post-employment liability.
3. **Order No. 15-1006161:** Police Department transfer request in the amount of \$112,488.00 which moves funds from Fringes to Sick Leave Buy Back and Sergeants to fund the contractually obligated sick leave buyback due to two retiring members of the Police Department.
4. **Order No. 15-1006162:** Fire Department transfer request in the amount of \$7,244.24 which moves funds from Fringes to Sick Leave Buy Back to fund the contractually obligated sick leave buyback due to a retiring member of the Fire Department.
5. **Order No. 15-1006163:** Mayor's office transfer request in the amount of \$5,610.25 to fund the sick leave buyback and unused vacation payout due to a departing member of his staff.

THE LISTING OF TOPICS THAT THE CHAIR REASONABLY ANTICIPATES WILL BE DISCUSSED AT THE MEETING IS NOT INTENDED AS A GUARANTEE OF THE TOPICS THAT WILL HAVE BEEN DISCUSSED. NOT ALL TOPICS LISTED MAY IN FACT BE DISCUSSED, AND OTHER TOPICS NOT LISTED MAY ALSO BE BROUGHT UP FOR DISCUSSION TO THE EXTENT PERMITTED BY LAW.

**The public should take due notice that the Marlborough City Council may have a quorum in attendance due to Standing Committees of the City Council consisting of both voting and non-voting members. However, members attending this duly posted meeting are participating and deliberating only in conjunction with the business of the Standing Committee.**

**Electronic devices, including laptops, cell phones, pagers, and PDAs must be turned off or put in silent mode upon entering the City Council Chamber, and any person violating this rule shall be asked to leave the chamber. Express authorization to utilize such devices may be granted by the President for recordkeeping purposes.**



# IN CITY COUNCIL

Marlborough, Mass., APRIL 6, 2015

**ORDERED:**

That the recommendation from the city's OPEB Board of Trustees pursuant to "Article 14" of City Council Order No. 13-1005335C, be and is herewith refer to **FINANCE COMMITTEE.**

ADOPTED

ORDER NO. 15-1006159



RECEIVED  
CITY CLERK'S OFFICE  
CITY OF MARLBOROUGH  
2015 APR -2 A 10:48

*City of Marlborough*  
*Office of the Mayor*

140 Main Street  
Marlborough, Massachusetts 01752  
Tel. (508) 460-3770 Facsimile (508) 460-3698 TDD (508) 460-3610

3

*Arthur G. Vigeant*  
MAYOR

*Michael C. Berry*  
EXECUTIVE AIDE

*Patricia Bernard*  
EXECUTIVE SECRETARY

April 2, 2015

City Council President Patricia Pope  
Marlborough City Council  
140 Main Street  
Marlborough, MA 01752

*Fin Com*

**RE: OPEB Trustees Recommendation**

Honorable President Pope and Councilors:

Enclosed for your approval is the recommendation from the city's OPEB Board of Trustees pursuant to "Article 14" of City Council Order No. 13-1005335C. The Trustees have met several times to assess and evaluate the city's options as it relates to the investment policies of our OPEB contributions.

As you will see from the enclosed correspondence, they have provided us a document summarizing the benefits and drawback regarding our options. Based on their findings, the utilization of an independent company provides the best value to the city while still maintaining control of the portfolio.

I want to thank the members of our OPEB Board of Trustees for their hard work and diligence. I also want to thank the City Council for your forward thinking and willingness to work with me to address this important issue.

Should you have any questions, please do not hesitate to let me know.

Sincerely,

**Arthur G. Vigeant**  
Mayor

CITY OF MARLBOROUGH OPEB TRUSTEES RECOMMENDATION

March 31, 2015

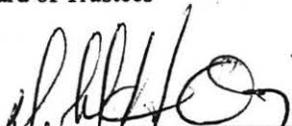
Dear Mayor Vigeant,

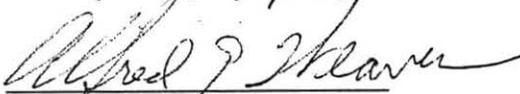
Please accept the following document from the Other Post-Employment Benefits (OPEB) Trustees regarding the initial investment policy according to City Council Order No. 13-1005335C article 14. The Trustees would appreciate your positive recommendation for this document to be submitted to the City Council for approval. The Trustees have done our due diligence as a committee and feel that this document is a valid investment policy for the OPEB Trust Fund to proceed with in order to fund the City's liability. The Trustees have compiled a list of pros and cons (see attached) which assisted us with our decision. Additionally the OPEB Trustees recommend the following timeline to fund the OPEB Trust:

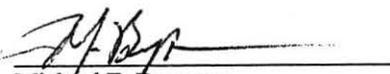
- Submit Trustee recommendation to Council April 6, 2015
- Council Approves OPEB Trust Policy Statement May 18, 2015
- Invest OPEB Trust fund monies June 1, 2015.

The Trustees thank you for this opportunity and look forward to your favorable recommendation.

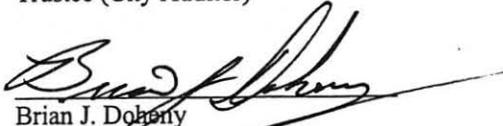
Sincerely,  
Board of Trustees

  
\_\_\_\_\_  
Michael H. Ossing  
Trustee (Member, City Council)

  
\_\_\_\_\_  
Alfred G. Weaver  
Trustee (Appointee of Mayor)

  
\_\_\_\_\_  
Michael E. Bergeron  
Trustee (Finance Director, Marlborough Public School Department)

  
\_\_\_\_\_  
Diane L. Smith  
Trustee (City Auditor)

  
\_\_\_\_\_  
Brian J. Doherty  
Trustee (City Treasurer)

At this time the Trustees are recommending using an independent contractor (Bartholomew & Company Incorporated) to invest the OPEB trust funds according to the initial investment policy. The trustees have recommended using Bartholomew & Company Incorporated as their investment manager. We carefully considered all options and decided on them for several reasons as shown on the Pros and Cons chart below:

	Pros	Cons
PRIT	Professionally managed portfolio	No say on investment risk
(Pension Reserves Investment Trust)	Highest managed fund portfolio	3 year commitment
		Cost 1%
PARS	Professionally managed portfolio	No say on investment risk
(Public Agency Retirement Services)	Trust agreement IRS approved	Pooled funds with no control if sold
	30 Years of experience	New to municipal market
		Cost .37% with Vanguard
		Cost .50% with US Bank
		Not locations close by
Independent (Bartholomew)	Keep fiduciary responsibility	
	Separately managed accounts	
	We control risk	
	Cost .35% declines as fund increases	
	82 OPEB municipal clients in Mass.	
	Funds held under City's name	
	Service location in Massachusetts	
	Credit for existing account	
	No commitment	

CITY OF MARLBOROUGH  
OPEB TRUST INVESTMENT POLICY STATEMENT

The primary purpose of this Investment Policy Statement (the “IPS”) is to provide a clear understanding regarding the City of Marlborough’s (the “City”) OPEB Trust’s (the “Trust”) investment objectives, performance goals, and risk tolerance.

A. Scope

This IPS applies to all funds that are separately designated as long-term OPEB funds for the City or any of its separately identified enterprises. Any additional contributions to the Trust will be maintained in the same manner.

B. Authority

Massachusetts General Law Chapter 32B, Section 20 allows a city, town, district, county or municipal lighting plant to set up a special trust fund, the Other Post Employment Benefits (OPEB) Liability Trust Fund. The governmental unit’s treasurer is the custodian of the fund or in the case of a light plant, an officer designated by the board. Investment of fund monies by the custodian must be consistent with the prudent person standard set forth in Massachusetts General Law Chapter 203C for private trust funds. Interest earned on the investment of fund monies belongs to the fund.

C. Diversification

The following asset classes can be included in the Trust in order to construct a diversified investment portfolio that is both prudent and appropriate given the City’s actuarial assumed discount rate, target rate of return, investment objective, and risk tolerance. The investment parameters and asset allocation definitions that will govern the Investment Manager of the diversified portfolio are included in the addendums to this IPS.

**Equities**

The primary objective of the Trust’s equity allocation is to provide long-term total returns that are, at a minimum, consistent with appropriate broad market indexes through full market cycles.

The Investment Manager of the diversified portfolio can purchase and manage the equity allocation using individual equities, such as domestic common stocks, preferred stocks, and/or American-Depositary Receipts (ADRs).

The Investment Manager can also utilize other investments such as, mutual funds, exchange traded funds, closed-end funds, etc. Total equity exposure is able to include, both domestic and international equities, both developed and emerging countries and geographic regions, as well as large-, mid-, and small-market capitalization weighted companies. Direct holdings of common stock, preferred stock, and/or ADRs in any one company should not exceed 5% of the market value of the invested portfolio.

Investing directly in real estate, private placements, letter stock, or initial public offerings is strictly prohibited. The Investment Manager of the diversified portfolio shall not engage directly in margin transactions,

short sales, or any other leveraged or inverse investment vehicles. Mutual funds, exchange-traded funds, and closed-end funds, however, may engage in margin, leverage, and/or short sales. Investing directly in unit-investment trusts (UITs) and business development companies (BDCs) are strictly prohibited.

### **Fixed Income**

The primary objectives of the Trust's fixed income allocation are to preserve capital and generate a reasonable level of cash flow. The secondary objective is to provide price returns that exhibit lower correlation to the broad global equity markets in order to reduce the overall risk of the portfolio.

The Investment Manager of the diversified portfolio can purchase and manage the fixed income allocation using individual bonds that are United States Dollar denominated only. Issuer selection can include domestic corporate bonds and any obligations of the United States Government, the Federal National Mortgage Association (FNMA), the Federal Home Loan Bank (FHLB), the Federal Farm Credit Bureau (FFCB), and the Federal Home Loan Mortgage Company (FHLMC).

The Investment Manager can also utilize other investment vehicles such as, mutual funds, exchange traded funds, closed-end funds, etc. Total fixed income exposure is able to include, both domestic and international bonds, both developed and emerging countries and geographic regions. All fixed income investment vehicles shall be United States Dollar denominated only. Direct holdings of individual corporate bonds in any one company should not exceed 5% of the market value of the invested portfolio; however, this is not applicable to the United States Government and the approved United States Agencies. Lower-quality investments may only be held through diversified vehicles, such as mutual funds or exchange-traded funds.

Investing directly in real estate, mortgages, collateral or non-collateral loans, private placements, fixed income or interest rate futures, or any other specialized fixed income ventures is strictly prohibited. Investing directly in unit-investment trusts (UITs) and business development companies (BDCs) are strictly prohibited.

### **Alternative Investments**

The primary objective of the Trust's alternative allocation is to provide long-term capital appreciation that is less correlated to broad global equity and fixed income indexes.

The Investment Manager of the diversified portfolio can only purchase those strategies that are deemed to be alternative through daily-liquid diversified investment vehicles such as, mutual funds, exchange-traded funds, closed-end funds, etc.

Investing directly in unit-investment trusts (UITs) and business development companies (BDCs) are strictly prohibited.

### **Cash and Cash Equivalents**

Cash will be maintained to provide periodic cash distributions, if and when necessary. Cash will not normally be held as a strategic investment asset, although the Investment Manager may seek to allow cash to build to the maximum level in times of market uncertainty.

## D. Specific Risks

### **Credit Risk**

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations.

The City will manage credit risk several ways. There will be no limit to the amount of United States Treasury and United States Government Agency obligations.

In regards to fixed-income investments, the City will only purchase investment grade securities. Lower-quality investments may only be held through diversified vehicles, such as mutual funds or exchange-traded funds. Investments in fixed income securities will be made primarily for income and capital preservation.

### **Custodial Risk**

The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party.

The City will review the financial institution's financial statements and the background of the sales representative. The intent of this qualification is to limit the City's exposure to only those institutions with a proven financial strength, Capital adequacy of the firm, and overall affirmative reputation in the municipal industry.

Further, all securities not held directly by the City, will be held in the City's name and tax identification number by a third party custodian approved by the Treasurer and evidenced by safekeeping receipts showing individual CUSIP numbers for each security.

### **Concentration of Credit Risk**

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer.

The City will minimize Concentration of Credit Risk by diversifying the investment portfolio so that the impact of potential losses from any one type of security or issuer will be minimized. As stated above, securities of a single corporate issuer (with the exception of the United States Government and its Agencies) will not exceed 5% of the portfolio value.

### **Interest Rate Risk**

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment.

The City will manage interest rate risk by managing duration in the Trust.

### Foreign Currency Risk

Foreign currency risk is the risk that changes in foreign monetary exchange rates will adversely affect the fair value of an investment or a deposit.

The City will, as much as feasible, mitigate foreign currency risk.

### E. Standards of Care

The standard of prudence to be used by the Treasurer shall be the “Prudent Person” standard and shall be applied in the context of managing an overall portfolio. The Treasurer acting in accordance with written procedures and this IPS, and exercising reasonable due diligence, shall be relieved of personal responsibility for an individual security’s credit risk or market price changes, provided the purchases and sale of securities is carried out in accordance with the terms of this IPS.

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs; not for speculation, but for investment considering the probable safety of their capital as well as the probable income to be derived.

In addition this section would also apply to M.G.L. Chapter 44 Section 55A which refers to the liability of the Treasurer for losses due to bankruptcy.

### F. Ethics

The Treasurer shall refrain from any personal activity that may conflict with the proper execution of the investment program or which could impair or appear to impair ability to make impartial investment decisions. The Treasurer shall disclose to the Mayor any material financial interest in financial institutions that do business with the City. They shall also disclose any large personal financial investment positions or loans that could be related to the performance of the City's investments.

### G. Relationship with Financial Institutions

Financial institutions should be selected first and foremost with regard to their financial soundness and stability. Brokers should be recognized, reputable dealers. All cash and securities shall be held in either a bank that is allowable for the deposit of public funds, provided funds on deposit are insured by the Federal Deposit Insurance Corporation (FDIC), or in an Investment Brokerage Account that is insured by the Securities Investor Protection Corporation (SIPC). If a banking institution is selected as manager, the City will subscribe to Veribanc<sup>®</sup>, a recognized bank rating service.

The Treasurer shall require any brokerage houses and broker/dealers, wishing to do business with the City, to supply the following information to the Treasurer:

- Annual financial statements
- If acting as a Registered Investment Adviser, Form ADV Part II report
- Errors & Omissions insurance amounting to, at a minimum, the total fair market value of the Trust Funds Portfolio.

- A statement that the Advisor has read the City's IPS and will comply with it on an annual basis
- Annual review all advisors through [www.finra.org](http://www.finra.org): Broker Check

#### H. Reporting Requirements

On a quarterly basis, a report containing the following information will be prepared by the Treasurer and distributed to the Mayor, as appropriate. The quarterly report will include the following information, as a minimum requirement:

- A listing of the individual accounts and individual securities held at the end of the reporting period.
- A listing of the short-term investment portfolio by security type and maturity to ensure compliance with the diversification and maturity guidelines established in the "Diversification" section of this IPS.
- A summary of the income earned on a monthly basis and year-to-date basis shall be reported.
- The Treasurer shall include in the report a brief statement of general market and economic conditions and other factors that may affect the City's cash position.
- The report should demonstrate the degree of compliance with the tenets set forth in the IPS.

#### I. Performance Measurement and Evaluation

- The individual and custom benchmarks that will be monitored for performance reporting and analysis of the Trust's portfolio are stated and described in the addendums to this IPS.
- It is expected that the respective asset classes of the Trust's diversified portfolio will outperform their respective benchmarks, net of fees and expenses, on a long term (market cycle) basis.

#### K. Supervision

- The Treasurer will meet with the investment manager(s) as frequently as semi-annually to monitor the performance of the funds and the investment manager(s) compliance with these guidelines. The Treasurer will receive and review portfolio management reports quarterly.
- The Treasurer will review this Investment Policy Statement at least once a year to ensure that it remains appropriate and complete.
- The Treasurer has the option to put the management of funds out for bid periodically, and may consider such option not less frequently than every five years, through a request for information, request for proposal, or similar process as required by law or town policy.

#### L. Legal References

- Massachusetts General Law Chapter 32B, Section 20
- Massachusetts General Law Chapter 203C, Section 1 through 11

I \_\_\_\_\_, Treasurer of the City of Marlborough have reviewed this IPS and will manage the City's OPEB Trust under my control in accordance with this IPS and any attached Addendums.

\_\_\_\_\_  
Treasurer's Signature

\_\_\_\_\_  
Treasurer's Printed Name

\_\_\_\_\_  
Date

ADDENDUM #1  
INVESTMENT PARAMETERS  
AS OF 4/1/2015

The information contained herein shall dictate the long-term asset allocation targets as well as minimum and maximum parameters, when applicable, that will govern the management of the investable portion of the Trust. The methodology for determining specific security and investment strategy definitions is detailed in Addendum #2.

<i>Category</i>	<i>Min</i>	<i>Target</i>	<i>Max</i>
Equity	20%	25%	30%
Domestic Equity	10%	15%	20%
International Equity	5%	10%	15%
Preferred Equity	0%	0%	10%
Balanced	0%	0%	10%
Fixed Income	65%	75%	85%
Domestic Bonds	55%	65%	75%
U.S. Treasuries & Agencies	20%	25%	30%
Corporates & Diversified Investment Vehicles	35%	40%	45%
International Bonds	5%	10%	15%
Alternatives	0%	0%	10%
Cash / Short Term	0%	0%	10%
Total	---	100%	---

\_\_\_\_\_  
Treasurer's Signature

\_\_\_\_\_  
Date

ADDENDUM #2  
ASSET ALLOCATION DEFINITIONS  
AS OF 4/1/2015

<i>Asset Class</i>	<i>Asset Category</i>	<i>Morningstar Category</i>	
Domestic Equity	Large Cap	Large-Cap Blend	Energy
		Large-Cap Growth	Financial
	Mid Cap	Large-Cap Value	Healthcare
		Communications	Industrials
Small Cap	Consumer Cyclical	Technology	
	Consumer Defensive	Utilities	
Preferred Equity	Consumer Staples	Miscellaneous Sector	
	Preferred Stock		
International Equity	Developed	Mid-Cap Blend	Mid-Cap Value
		Mid-Cap Growth	
Emerging Markets	Emerging Markets	Small-Cap Blend	Small-Cap Value
		Small-Cap Growth	
Balanced	Balanced	Preferred Stock	
		Foreign Large-Cap Blend	Foreign Small/Mid Blend
Domestic Bond	Investment Grade	Foreign Large-Cap Growth	Foreign Small/Mid Growth
		Foreign Large-Cap Value	Foreign Small/Mid Value
High Yield	High Yield	World Stock	Japan
		Europe	
Multisector	Multisector	Emerging Markets	Pacific/Asia
		India	Pacific/Asia ex-Japan
World Bond	World Bond	Latin America	Miscellaneous Region
		China	
Emerging Markets Bond	Emerging Markets Bond	Aggressive Allocation	World Allocation
		Moderate Allocation	Target Date
Equity Alternatives	Equity Alternatives	Conservative Allocation	Retirement Income
		Tactical Allocation	
Bond Alternatives	Bond Alternatives	Corporate Bond	Muni National Intermediate
		Inflation Protected Bond	Muni National Long-Term
Real Estate	Real Estate	Intermediate Gov't Bond	Muni National Short-Term
		Intermediate Term Bond	Muni Single State
Managed Futures	Managed Futures	Long-Term Bond	Short-Term Bond
		Long-Term Gov't	Short-Term Gov't Bond
Other Alternatives	Other Alternatives	Stable Value	Ultrashort Bond
		Multisector Bond	
Alternative	Alternative	High-Yield Bond	Bank Loans
		High-Yield Muni	
Equity Alternatives	Equity Alternatives	World Bond	
		Emerging Markets Bond	
Bond Alternatives	Bond Alternatives	Long/Short Equity	Market Neutral
		Private Equity	
Real Estate	Real Estate	Nontraditional Bond	
		Real Estate	Global Real Estate
Managed Futures	Managed Futures	Direct Property	
		Managed Futures	Currency
Other Alternatives	Other Alternatives	Arbitrage	Precious Metals
		Hedge Funds	Commodities
Multi-Alternative	Multi-Alternative	Multi-Alternative	Natural Resources
		Trading/Tactical	Bear Market

Treasurer's Signature \_\_\_\_\_

Date \_\_\_\_\_

ADDENDUM #3  
 PERFORMANCE REPORTING  
 AS OF 4/1/2015

The information contained herein shall dictate the individual and blended benchmark(s), when applicable, to be utilized in monitoring the performance of the investable assets of the Trust.

<i>Category</i>	<i>Index</i>	<i>Percentage</i>
Equity	MSCI AC World Index	25%
Domestic Equity	---	
International Equity	---	
Preferred Equity	---	
Balanced	---	0%
Fixed Income	Barclays Capital US Aggregate Bond	75%
Domestic Bonds	---	
U.S. Treasuries & Agencies	---	
Corporates & Diversified Investment Vehicles	---	
International Bonds	---	
Alternatives	HFRI Fund of Funds Composite	0%
Cash / Short Term	US T-Bills	0%
Total		100%

\_\_\_\_\_  
 Treasurer's Signature

\_\_\_\_\_  
 Date



# IN CITY COUNCIL

Marlborough, Mass., \_\_\_\_\_

JUNE 3, 2013

PAGE 11

ORDERED:

## ARTICLE 14 INVESTMENT OF TRUST FUNDS

14.1. The Trustees hereby authorize and direct the City Treasurer to invest and reinvest the amounts in the Trust Fund not needed for current disbursement, consistent with the prudent investor rule, and as provided in the Investment Policy which is attached to this instrument and hereby incorporated.

14.2. Before funds may be invested, the Trustees shall create an initial investment policy to be approved by the City Council. Trust funds may be invested with PRIT after a vote of the Trustees, approval of the Mayor, and approval of the City Council.

14.3. In no event shall the funds be invested directly in mortgages or in collateral loans.

## ARTICLE 15 CUSTODY OF THE TRUST FUNDS

15.1. The Trustees hereby appoint the City Treasurer as custodian of the Trust Fund and authorize the Treasurer to employ an outside custodial service to maintain custody of the Trust Funds. All funds in the Trust Fund shall be accounted for separately from all other funds of the City.

15.2. The City Treasurer, with the authorization of the Trustees, shall establish one or more checking accounts, which may be interest bearing or non-interest bearing accounts. Such checking account or accounts shall be funded solely from the Trust Funds, and the Trustees may authorize the City Treasurer to draw on such checking accounts for the payment of OPEB and for the administrative expenses of the Trust.

## ARTICLE 16 TERMINATION OF TRUST

16.1. The Trust shall continue unless and until terminated pursuant to law or by an instrument in writing signed by at least three Trustees, provided, however, that continuance of the Trust shall not be deemed to be a contractual obligation of the City.

16.2. Upon termination of the Trust, subject to the payment of or making provision for the payment of all obligations and liabilities of the Trust and the Trustees, the net assets of the Trust shall be transferred to the City and held by the City Treasurer to be used exclusively for providing OPEB to Retired Employees and their eligible dependents and for no other purpose.



# IN CITY COUNCIL

Marlborough, Mass., APRIL 6, 2015

**ORDERED:**

That the OPEB transfer request in the amount of \$5,000,000.00 which will mark the inaugural deposit towards the City's unfunded post-employment liability, better known as OPEB, be and is herewith refer to **FINANCE COMMITTEE.**

CITY OF MARLBOROUGH BUDGET TRANSFERS --										
DEPT:		Mayor				FISCAL YEAR:		2015		
FROM ACCOUNT:					TO ACCOUNT:					
Available	Amount	Org Code	Object	Account Description:	Amount	Org Code	Object	Account Description:	Available	
Balance									Balance	
\$5,000,000.00	\$5,000,000.00	83600	32726	Stabilization- OPEB	\$5,000,000.00	8759910	49761	OPEB Trust	\$0.00	
Reason:		Transfer funds designated for OPEB to new trust								
\$5,000,000.00	Total				\$5,000,000.00	Total				

**ADOPTED**

ORDER NO. 15-1006160



*City of Marlborough*  
*Office of the Mayor*

4  
RECEIVED *Arthur G. Vigeant*  
CITY CLERK'S OFFICE MAYOR  
CITY OF MARLBOROUGH  
2015 APR -2 A 10:53  
*Michael C. Berry*  
EXECUTIVE AIDE

140 Main Street  
Marlborough, Massachusetts 01752  
Tel. (508) 460-3770 Facsimile (508) 460-3698 TDD (508) 460-3610

*Patricia Bernard*  
EXECUTIVE SECRETARY

April 2, 2015

City Council President Patricia Pope  
Marlborough City Council  
140 Main Street  
Marlborough, MA 01752

*Fin Com*

**RE: OPEB Transfer Request**

Honorable President Pope and Councilors:

Enclosed for your approval is a transfer request in the amount of \$5,000,000.00 that will mark our inaugural deposit towards the city's unfunded post-employment liability, better known as OPEB.

This request represents a giant step for our community towards ensuring we do not saddle future generations with crippling costs associated with pension and retiree health insurance obligations.

Our finance team and I look forward to discussing this matter with you in greater detail. Thank you in advance for your consideration.

Sincerely,

**Arthur G. Vigeant**  
Mayor





# IN CITY COUNCIL

Marlborough, Mass.,

APRIL 6, 2015

## ORDERED:

That the Police Department transfer request in the amount of \$112,488.00 which moves funds from Fringes to Sick Leave Buy Back and Sergeants to fund the contractually obligated sick leave buyback due to two retiring members of the Police Department, be and is herewith refer to **FINANCE COMMITTEE.**

CITY OF MARLBOROUGH BUDGET TRANSFERS -									
DEPT:		Police			FISCAL YEAR:		2015		
Available Balance		FROM ACCOUNT:			TO ACCOUNT:			Available Balance	
	Amount	Org Code	Object	Account Description:	Amount	Org Code	Object	Account Description:	
\$129,346.42	\$112,488.00	11990006	51500	Fringes	\$78,402.00	12100003	51920	Sick Leave Buy Back	\$0.00
				Retirement payout for 2 employees					
					\$34,086.00	12100001	50820	Sergeants	\$143,158.61
	\$112,488.00	Total			\$112,488.00	Total			

ADOPTED

ORDER NO. 15-1006161



RECEIVED  
CITY CLERK'S OFFICE  
CITY OF MARLBOROUGH

2015 APR -2 A 10 49

*City of Marlborough*  
*Office of the Mayor*

140 Main Street

Marlborough, Massachusetts 01752

Tel. (508) 460-3770 Facsimile (508) 460-3698 TDD (508) 460-3610

5  
*Arthur G. Vigeant*  
MAYOR

*Michael C. Berry*  
EXECUTIVE AIDE

*Patricia Bernard*  
EXECUTIVE SECRETARY

April 2, 2015

City Council President Patricia Pope  
Marlborough City Council  
140 Main Street  
Marlborough, MA 01752

**RE: Transfer Request – Police Department**

Honorable President Pope and Councilors:

Enclosed for your approval is a transfer request in the amount of \$112,488.00 to fund the contractually obligated sick leave buyback due to two (2) retiring members of the Police Department.

Should you have any questions, please do not hesitate to let me know. Thank you in advance for your consideration.

Sincerely,

**Arthur G. Vigeant**  
Mayor





# IN CITY COUNCIL

Marlborough, Mass., \_\_\_\_\_

APRIL 6, 2015

## ORDERED:

That the Fire Department transfer request in the amount of \$7,244.24 which moves funds from Fringes to Sick Leave Buy Back to fund the contractually obligated sick leave buyback due to a retiring member of the Fire Department, be and is herewith refer to **FINANCE COMMITTEE.**

CITY OF MARLBOROUGH									
BUDGET TRANSFERS --									
DEPT: FIRE								FISCAL YEAR: 15	
FROM ACCOUNT:					TO ACCOUNT:				
Available	Amount	Org Code	Object	Account Description:	Amount	Org Code	Object	Account Description:	Available
Balance									Balance
\$187,516.60	\$7,244.24	11990006	51500	Fringe	\$7,244.24	1.2E+07	51920	Sick Leave Buy Back	\$30,535.96
Reason:		Retirement payout of sick leave				Account balance insufficient			
\$7,244.24	Total					\$7,244.24	Total		

## ADOPTED

ORDER NO. 15-1006162



# City of Marlborough

RECEIVED  
CITY CLERK'S OFFICE  
OF MARLBOROUGH

## Office of the Mayor

2015 APR -2 A 10:49

140 Main Street

Marlborough, Massachusetts 01752

Tel. (508) 460-3770 Facsimile (508) 460-3698 TDD (508) 460-3610

6  
*Arthur G. Vigeant*  
MAYOR

*Michael C. Berry*  
EXECUTIVE AIDE

*Patricia Bernard*  
EXECUTIVE SECRETARY

April 2, 2015

City Council President Patricia Pope  
Marlborough City Council  
140 Main Street  
Marlborough, MA 01752

**RE: Transfer Request – Fire Department**

Honorable President Pope and Councilors:

Enclosed for your approval is a transfer request in the amount of \$7,244.24 to fund the contractually obligated sick leave buyback due to a retiring member of the Fire Department.

Should you have any questions, please do not hesitate to let me know. Thank you in advance for your consideration.

Sincerely,

**Arthur G. Vigeant**  
Mayor



**City of Marlborough**  
**FIRE DEPARTMENT**  
**215 MAPLE STREET**  
**MARLBOROUGH, MASSACHUSETTS 01752**

March 26, 2015

Arthur G. Vigeant, Mayor  
City Hall  
140 Main Street  
Marlborough, Ma. 01752

Re: Transfer Request

Dear Mayor Vigeant,

I am submitting for your approval a transfer request to fund sick leave buy back for an upcoming retirement. The current account balance is insufficient to fund the sick leave buy back. Retirements are not figured into our sick leave buy back line item.

\$7,244.24 from 11990006-51500 (Fringe) to 12200003-51920 (Sick Leave)

Please feel free to contact me if you have any questions.

Sincerely,

Geoff Herald  
Fire Chief





# IN CITY COUNCIL

Marlborough, Mass., APRIL 6, 2015

**ORDERED:**

That the Mayor's office transfer request in the amount of \$5,610.25 to fund the sick leave buyback and unused vacation payout due to a departing member of his staff, be and is herewith refer to **FINANCE COMMITTEE.**

CITY OF MARLBOROUGH BUDGET TRANSFERS -									
DEPT:		Mayor				FISCAL YEAR:		2015	
FROM ACCOUNT:					TO ACCOUNT:				
Available Balance	Amount	Org Code	Object	Account Description:	Amount	Org Code	Object	Account Description:	Available Balance
\$18,400.00	\$5,610.25	11330002	50770	Treasurer-Senior Clerk	\$1,000.00	11210003	51920	Sick Leave Buy Back	\$0.00
		Surplus due to prior vacancy				Sick leave due to departing employee			
					\$4,610.25	11210001	50321	Executive Aide to Mayor	\$14,023.96
						Vacation due to departing employee			
	\$5,610.25	Total			\$5,610.25	Total			

**ADOPTED**

ORDER NO. 15-1006163

7



RECEIVED  
CLERK'S OFFICE  
OF MARLBOROUGH

15 APR -2 A 10:49

# City of Marlborough

## Office of the Mayor

140 Main Street  
Marlborough, Massachusetts 01752  
Tel. (508) 460-3770 Facsimile (508) 460-3698 TDD (508) 460-3610

*Arthur G. Vigeant*  
MAYOR

*Michael C. Berry*  
EXECUTIVE AIDE

*Patricia Bernard*  
EXECUTIVE SECRETARY

April 2, 2015

City Council President Patricia Pope  
Marlborough City Council  
140 Main Street  
Marlborough, MA 01752

**RE: Transfer Request – Mayor’s Office**

Honorable President Pope and Councilors:

Enclosed for your approval is a transfer request in the amount of \$5,610.25 to fund the sick leave buy back and unused vacation payout due to a departing member of my staff.

Should you have any questions, please do not hesitate to let me know. Thank you in advance for your consideration.

Sincerely,

**Arthur G. Vigeant**  
Mayor

