

CITY OF MARLBOROUGH MEETING POSTING

Meeting Name: City Council Finance Committee

Date: December 10, 2018

Time: 7:00 PM

Location: City Council Chamber, 2nd Floor, City Hall, 140 Main Street

Agenda Items to be addressed:

RECEIVED
CITY CLERK'S OFFICE
CITY OF MARLBOROUGH

2018 DEC -4 P 12:15

1. 12-03-2018 – **Order No. 18-1007475:** Communication from the Mayor, regarding OPEB and Stabilization transfer requests in the amount of \$887,745.00 which moves funds from Undesignated Fund (“Free Cash”) to Undesignated Stabilization and to the OPEB Trust for stabilization and OPEB accounts.
-Refer to Finance Committee

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., DECEMBER 3, 2018

ORDERED:

That the OPEB and Stabilization transfer requests in the amount of \$887,745.00 which moves funds from Undesignated Fund ("Free Cash") to Undesignated Stabilization and to the OPEB Trust for stabilization and OPEB accounts, be and is herewith refer to **FINANCE COMMITTEE.**

ADOPTED

ORDER NO. 18-1007475



City of Marlborough
Office of the Mayor

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RECEIVED
Arthur G. Vigeant
CITY CLERK'S OFFICE
CITY OF MARLBOROUGH
2018 NOV 29 A 11:46
Nicholas J. Milano
EXECUTIVE AIDE

Patricia Bernard
EXECUTIVE SECRETARY

November 29, 2018

City Council President Edward J. Clancy
Marlborough City Council
140 Main Street
Marlborough, MA 01752

Re: Transfer Request – OPEB and Stabilization

Honorable President Clancy and Councilors:

Please find enclosed for your review two transfer requests from the Undesignated Fund (“Free Cash”) each in the amount of \$887,745.00 to Undesignated Stabilization and to the OPEB Trust.

Free Cash was certified for Fiscal Year 2018 at \$8,877,451.00. As a result, I am requesting these transfers to move funds to our stabilization and OEB accounts in keeping with our financial policies. Investing in our stabilization account and OPEB Account means we are strengthening our financial foundation for future years.

A recent report in Commonwealth Magazine was critical of Massachusetts’ failure to build up its stabilization or rainy-day funds and noted that the state was ranked at the bottom across the country. In Marlborough, we are ensuring that ample funds are available in our stabilization fund in case of unexpected costs, or an economic slowdown.

Marlborough is currently on target to fully fund its pension liabilities by 2025, which puts the City in strong shape relative to other municipal and regional pension systems, but we must keep growing our OPEB account to reduce this separate liability.

Thank you for partnering with me to invest in Marlborough’s financial stability. I look forward to discussing these transfers with you.

Sincerely,


Arthur G. Vigeant
Mayor

Enclosures

CITY OF MARLBOROUGH
BUDGET TRANSFERS --

DEPT: Mayor

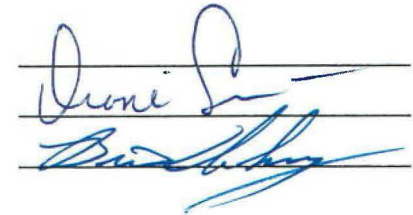
FISCAL YEAR: 2019

Available Balance	Amount	Org Code	Object	Account Description:	Amount	Org Code	Object	Account Description:	Available Balance
<u>\$8,877,451.00</u>	<u>\$887,745.00</u>	<u>10000</u>	<u>35900</u>	<u>Undesignated Fund</u>	<u>\$887,745.00</u>	<u>87500</u>	<u>35900</u>	<u>OPEB Trust</u>	<u>\$9,154,936.35</u>
	Reason:	<u>Transfer funds to OPEB trust</u>							
	Reason:								
	Reason:								
	Reason:								
	\$887,745.00	Total			\$887,745.00	Total			

Department Head signature:

Auditor signature:

Comptroller signature:



Massachusetts Retirement Boards by Year Estimated to be Fully-Funded

Board Name	Funded Ratio	Valuation Date	Investment Return Assumption	Fiscal Year Amortization Complete
Watertown	81.80%	1/1/2017	7.90%	2020
Dedham	94.70%	1/1/2018	7.50%	2021
Leominster	90.10%	1/1/2017	5.50%	2021
Shrewsbury	86.60%	1/1/2017	7.50%	2021
Lexington	85.30%	1/1/2016	7.50%	2024
Stoneham	70.40%	1/1/2016	7.75%	2024
Milton	81.50%	1/1/2017	7.50%	2025
Boston (non-teachers)	76.90%	1/1/2018	7.50%	2025
Marlborough	76.40%	1/1/2017	7.50%	2025
MWRA	95.00%	1/1/2018	7.50%	2026
Cambridge	81.10%	1/1/2016	7.75%	2026
Taunton	79.60%	1/1/2018	7.75%	2026
Mass Housing Finance	76.80%	1/1/2017	7.50%	2026
Chicopee	75.90%	1/1/2017	7.50%	2026
Saugus	73.90%	1/1/2017	7.40%	2026
North Attleboro	83.40%	1/1/2017	7.50%	2027
Berkshire Regional	82.80%	1/1/2017	7.25%	2028
Winthrop	80.80%	1/1/2017	7.25%	2028
Norwood	79.10%	1/1/2016	7.75%	2028
Bristol County	67.70%	1/1/2018	7.75%	2028
Chelsea	64.30%	1/1/2017	7.35%	2028
Concord	85.20%	1/1/2017	7.00%	2029
Winchester	79.00%	1/1/2017	7.00%	2029
North Adams	75.00%	1/1/2017	7.40%	2029
Reading	73.80%	1/1/2017	7.65%	2029
Norfolk County	62.40%	1/1/2018	7.75%	2029
Plymouth County	61.70%	1/1/2017	8.00%	2029
Everett	57.30%	1/1/2018	7.50%	2029
Belmont	55.00%	1/1/2016	7.50%	2029
Wellesley	75.40%	1/1/2017	6.63%	2030
Dukes County	72.50%	1/1/2016	7.75%	2030
Malden	72.00%	1/1/2018	7.35%	2030
Needham	69.40%	1/1/2017	7.50%	2030
Framingham	68.00%	1/1/2016	7.50%	2030
Natick	62.20%	1/1/2017	7.38%	2030
Brookline	57.10%	1/1/2018	7.20%	2030
Newton	51.70%	1/1/2018	7.25%	2030

Fairhaven	69.80%	1/1/2016	7.50%	2031
Medford	67.30%	1/1/2016	7.50%	2031
Hull	63.90%	1/1/2018	7.40%	2031
Webster	54.80%	1/1/2016	7.50%	2031
Swampscott	53.50%	1/1/2017	7.50%	2031
Salem	53.30%	1/1/2016	7.50%	2031
Montague	77.70%	1/1/2018	7.25%	2032
Blue Hills Reg	73.70%	1/1/2018	7.35%	2032
Northampton	69.70%	1/1/2016	7.50%	2032
Holyoke	62.50%	1/1/2016	7.63%	2032
Brockton	62.40%	1/1/2018	7.75%	2032
Waltham	57.70%	1/1/2017	7.75%	2032
Haverhill	52.30%	1/1/2016	7.50%	2032
Fitchburg	44.20%	1/1/2016	7.75%	2032
Somerville	66.40%	1/1/2017	8.00%	2033
Worcester	65.70%	1/1/2017	7.38%	2033
Easthampton	65.50%	1/1/2016	7.50%	2033
Braintree	65.10%	1/1/2018	7.65%	2033
Falmouth	62.50%	1/1/2016	7.50%	2033
Hampshire County	61.50%	1/1/2018	7.45%	2033
Beverly	57.30%	1/1/2018	7.35%	2033
Revere	56.10%	1/1/2017	7.40%	2033
Greater Lawrence SD	88.60%	1/1/2017	7.00%	2034
Franklin Regional	73.20%	1/1/2018	7.75%	2034
Westfield	69.50%	1/1/2017	7.50%	2034
West Springfield	64.40%	1/1/2018	7.50%	2034
Southbridge	55.10%	1/1/2016	7.50%	2034
Gardner	54.60%	1/1/2017	7.75%	2034
Lynn	49.20%	1/1/2017	7.40%	2034
New Bedford	46.30%	1/1/2016	7.75%	2034
Gloucester	45.30%	1/1/2016	7.50%	2034
Minuteman Reg.	88.30%	1/1/2017	7.40%	2035
Adams	73.10%	1/1/2016	7.00%	2035
Maynard	70.50%	1/1/2017	7.00%	2035
Hingham	67.90%	1/1/2016	7.75%	2035
Northbridge	67.80%	1/1/2016	7.75%	2035
Clinton	64.00%	1/1/2017	7.40%	2035
Wakefield	63.20%	1/1/2016	7.50%	2035
Woburn	62.90%	1/1/2016	7.75%	2035
Newburyport	61.30%	1/1/2016	7.50%	2035
Weymouth	60.90%	1/1/2016	7.75%	2035
Barnstable	59.50%	1/1/2018	7.38%	2035

Amesbury	58.70%	1/1/2018	7.75%	2035
Danvers	58.60%	1/1/2018	7.50%	2035
Greenfield	56.00%	1/1/2017	7.40%	2035
Essex Regional	53.40%	1/1/2018	7.50%	2035
Methuen	53.40%	1/1/2018	7.35%	2035
Arlington	51.50%	1/1/2018	7.00%	2035
Plymouth	50.10%	1/1/2017	7.25%	2035
Andover	48.60%	1/1/2018	7.00%	2035
Middlesex	47.90%	1/1/2018	7.50%	2035
Worcester Regional	45.30%	1/1/2018	7.75%	2035
Fall River	42.00%	1/1/2017	7.50%	2035
State	64.90%	1/1/2018	7.35%	2036
Milford	60.90%	1/1/2017	7.40%	2036
Lowell	56.00%	1/1/2017	7.75%	2036
Lawrence	52.70%	1/1/2018	7.50%	2036
Mass. Teachers	52.40%	1/1/2018	7.35%	2036
Peabody	52.30%	1/1/2018	7.75%	2036
Hampden County Regional	47.50%	1/1/2016	7.75%	2036
Quincy	46.80%	1/1/2016	7.75%	2036
Boston teachers	39.60%	1/1/2018	7.35%	2036
Attleboro	65.70%	1/1/2016	7.88%	2037
Melrose	57.50%	1/1/2017	7.75%	2037
Pittsfield	48.30%	1/1/2017	7.50%	2037
Marblehead	64.80%	1/1/2018	7.35%	2039
Mass Port	89.60%	1/1/2017	7.25%	N/A