

Finance Committee

Meeting Minutes

October 10, 2023

7:30 PM

Present: Christi Andersen (Chair), Jason Cole (Vice Chair), Steve Noone, Esha Gangolli, Dave Wellinghoff, Roland Bourdon, Adam Nolde, Christine Russell and Vlad Kan (associate)

Ms. Andersen called the meeting to order.

1. Citizen's Concerns

None

2. ABRSD FY24 Budget update and changes

Mr. Light, Superintendent, and Ms. Matthews, Director of Finance and Operations, presented the changes from when the FY24 Budget was approved in May 2023:

- There was a \$425,000 mishap, in the "Vacancy Factor" line item; the amount was mistakenly double counted. They were able to make up this deficit by reducing Personnel expenses \$98,173 and using other estimated revenue \$150,420 (Chapter 70) and \$176,467.
- Unanticipated Special Education Costs of \$849,583 were discussed.

Questions/answers and discussions ensued after the presentation.

3. Health Insurance Trust (HIT)

Mr. Noone, Chair of the HIT presented the current financial status of the Trust.

Costs: Claims \$20.1m, Administration Costs \$1m and Reinsurance after recovery \$1m (with a \$175,000 stop loss limit)

Realized a deficit of \$1.3m in FY23 which included a 10% premium increase.

When reserves were getting high, the Trust would recommend a premium that would correspond with its internal policy of not keeping more than 30% in reserves.

The decline in reserves from 2018:

Planned decrease in Reserves	\$1.2m
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Laser (\$730,000/year per case)	\$3.7m
Stop Loss	\$1.3m
COVID Bounce	\$1.2m
Total	\$7.4m

A study was conducted and comparable plans and what Acton pays for premiums is in line.

Options to save money were presented: Reduce cost by changing plan design, change premium cost share (currently 75/25%), do a Medicare migration (buy Non-Medicare retirees into Medicare), change Pharmacy Benefit Manager by separating pharmacy services from medical services (i.e. CVS Caremark, Express Scripts, etc.), or decrease the Administration fees.

Questions/answers and discussions ensued after the presentation.

4. Water District PFAS Costs

Water District invited the FinCom to their next meeting on October 23rd, via Zoom, to ask any questions the FinCom may have. Ms. Andersen will collect questions from the FinCom members for this meeting. At this point, Ms. Andersen and Mr. Cole will attend the meeting via Zoom.

EPA ruling of PFAS levels was discussed.

Potential of drilling a new well was discussed.

Ms. Russell suggested the prospect of joining other Massachusetts municipalities that have joined a Class Action Suit against companies that are dispersing PFAS into water sources.

5. Point of View (POV) Discussion

Ms. Russell reported no updates for this meeting, to be resumed at next meeting.

6. Finance Committee Business

Members gave their liaison reports.

Next Meeting is October 24, 2023

Mr. Kan moved to adjourn. Mr. Noone seconded. The motion was approved unanimously.

Documents and Exhibits Used During this Meeting

ABRSD FY24 Budget Presentation

Health Insurance Trust Presentation