

Finance Committee Meeting  
Acton Water District  
693 Massachusetts Avenue  
Acton, MA 01720

April 28, 2016 12:00 noon

In attendance were Finance Committee Members Bill Guthlein, Chuck Bradley, David Butler and alternate member Bill Mullin. Also in attendance were Chris Allen, District Manager, Mary J. Bates, District Treasurer and Karen Bottar, Boston Financial.

The meeting was called to order at 12:03pm.

#### **Approve Minutes**

Mr. Bradley made a motion to approve the minutes of the January 17, 2016 and March 16, 2016 meetings as presented. Mr. Guthlein seconded the motion and it was unanimously approved.

#### **Boston Financial**

Karen Bottar presented an update of funds on deposit with Boston Financial: the Grace Fund and the OPEB Fund.

The Grace Fund has a current market value of \$2,382,150. The OPEB Fund has a current market value of \$657,016. First quarter GDP is .5% with very slow growth.

Mr. Guthlein questioned the Legal List restrictions for the Grace Fund. There has been no update to the list in a very long time. The proposed legislation is still under discussion in the Legislature.

#### **Middlesex Retirement**

There was discussion of the long-term pension fund expectations. Currently Middlesex Retirement System is using a long term earnings assumption of 7.875%, which is not realistic in the current market. They are expected to lower that assumption to 7.75% with the next Actuarial Valuation, which will raise the unfunded liability.

Boston Financial is currently modeling 6% return on equities and 2% return on bonds.

There has been some discussion of paying some additional funding to Middlesex Retirement System, in order to get out unfunded liability more in line with OPEB. The Committee is reluctant to give any additional funding to Middlesex Retirement based on their investment performance. It was suggested that perhaps we could set up a Stabilization Fund for Retirement, so that when that bill comes due we have some money set aside for it. We will ask Mary Bassett for her opinion.

**SBA Cell Tower**

Mr. Allen informed the Commissioners that the SBA cell tower is being decommissioned. This will result in a revenue loss of approximately \$48,500 per year.

Mr. Guthlein made a motion to adjourn the meeting at 1:45pm. It was seconded by Mr. Bradley and unanimously approved.