

Minutes

TO: Finance and Budget Committee

FROM: Shari Cantor, Chairperson

DATE: December 18, 2015

SUBJECT: Finance and Budget Committee Meeting

IN ATTENDANCE: Shari Cantor, Leon Davidoff, Chris Williams, Denise Hall, Beth Kerrigan, Ben Wenograd, Ron Van Winkle, Peter Privitera, Rick Ledwith

The Finance and Budget Committee will meet on Wednesday, December 16, 2015, at 6:30pm in Town Hall, Room 312, to discuss the following:

AGENDA

1. FY2016 budget
The Committee discussed the operating results for the FY2016 budget through the month of November. At present we are projecting a \$1.8 million surplus. This surplus is primarily due to the fact that the Town by its Charter adopts our budget before the State of Connecticut adopts their budget. The State's final budget provided additional ECS funding that was not anticipated at the time we adopted our budget. A detailed analysis of the FY2016 budget was handed out.
2. FY2017 Budget
The Committee discussed a projected FY2017 budget. This budget is basically a roll forward budget. The State in the last legislative session required municipalities to reduce the mill rate on automobiles. The lost revenue was to be made up by a grant from the State. Our analysis shows that despite that grant the Town will lose \$1.7 million in revenue in FY2017 and that tax loss will grow over the coming years. If the Town were to adopt this budget without changes it would result in a 4.0% tax increase. A detailed analysis of the FY2017 budget was handed out.
3. Bond Sale
The Town will be selling \$20 million in bonding in January and is preparing our Official Statement and other documents for that sale.
4. Pension
The Town has a new actuary for the pension plan and that actuary has found errors in the previous evaluations that will result in an increase in liabilities and an increase in the town's contribution to the plan of \$2.5 million.
5. Credit Cards
The Town has accepted a bid from a new credit card processor. This new contract will save approximately \$40,000 in the FY2017 budget. The Committee discussed the issue of PCI

compliance and the new chip credit cards that are being issued. A question was raised as to our liability with the new cards. Staff will check on this issue and report back to the Committee.

6. Car Taxes

See the discussion of the FY2017 budget above.

7. Union Contracts

Rick Ledwith discussed the recently negotiated teacher contract which was unanimously adopted by the Board of Education the previous night. A synopsis of the contract was handed out and is attached to these minutes.

C: Town Council
Ronald Van Winkle, Town Manager
Joseph O'Brien, Corporation Counsel
Essie Labrot, Town Clerk
Department Directors

West Hartford Public School District

Agenda Item: Ratification of the West Hartford Education Association (WHEA) Contract

Meeting Date: December 15, 2015

From: Dr. Andrew Morrow, Assistant Superintendent for Administration
Rick Ledwith, Executive Director of Human Resources
Chip Ward, Director of Finance and Planning

Through: Thomas Moore, Superintendent

Recommendation: THAT the Board of Education ratify the negotiated agreement between the West Hartford Education Association (WHEA) and the Board of Education, for the period of July 1, 2016 through June 30, 2019

Background: The negotiations between the West Hartford Education Association and the Board of Education representatives were successfully completed on November 24, 2015. The members of the West Hartford Education Association have ratified the proposed agreement. Highlights of the agreement are as follows:

Wages:

2016-17	Step Movement and 1.8% for teachers on top step
2017-18	Step Movement and 1.6% for teachers on top step
2018-19	Step Movement and 1.62% for teachers on top step

Health Insurance: Year 1: HDHP with \$1,500/\$3,000 deductible is only plan offered; BOE contributes \$1,000/\$2,000 in first year. For new employees, Board of Education contribution is made on September 1st. For existing employees, 50% of Board contribution on July 15th, and 50% on September 1st.

Premium Cost Share increases from 16.5% to 17.5%;

Year 2: HDHP for all employees; deductible increases from \$1,500/\$3,000 to \$2,000/\$4,000; 50% deductible funded by Board of Education. Board funds 50% of their contribution on July 15th and 50% on September 1st.

Premium Cost Share remains at 17.5%;

Year 3: \$2,000/\$4,000 HDHP 50% deductible funded by Board of Education. Board funds 50% of their contribution on July 15th and 50% on September 1st.

Premium Cost Share increases from 17.5% to 18.0%

Agenda Item:
V. B.

Insurance re-opener language to address Patient Protection and Affordable Care Act. “The Patient Protection and Affordable Care Act (“PPACA”; Public Law 111-148) has set forth and codified under the Internal Revenue Code (IRC) §4980I the imposition of an excise tax related to employer provided health insurance plans that exceed certain value thresholds. The impact of the excise tax is scheduled to take effect in 2018. Should any Federal statute or regulation pertaining §4980I be maintained to take effect in the 21017-2018 contract year triggering the imposition of an excise tax with respect to any of the contractually agreed upon insurance plans offered herein, the parties agree to commence mid-term negotiations in accordance with the Teacher Negotiating Act. During such mid-term negotiations the parties will reopen Article VIII and Appendix E of the contract for the purpose of addressing the impact of the excise tax. No other provision of the contract shall be reopened during such mid-term negotiations. The parties agree that any negotiations pursuant to the reopener above shall include an investigation into the feasibility of obtaining group hospitalization, medical, pharmacy and surgical insurance coverage through the Connecticut State Employees’ Health Care Plan (state employee plan) under Public Act No. 15-93. The parties agree to promptly provide the State of Connecticut Comptroller’s office and Health Care Cost Containment Committee with all information they may require to determine if the WHEA bargaining unit may join the state employee plan as a stand-alone group.”

Tuition

Reimbursement: Increase tuition reimbursement fund from \$45,000 to \$60,000 and individual reimbursement up to \$1,000.

Paternity Leave: Formalize practice of up to five days of paternity leave immediately after the birth of a child, with such days deducted from sick leave.

Miscellaneous

Operational Issues:

- Two committees formed to review teacher preparation time before school year starts and teacher planning time during the school year.
- Minor modifications to September and June payrolls
- Changes to posting of vacancies; transfer requests and salary notifications.
- Formalizing daily teacher preparation time to reflect practice.

Andrew Morrow, Rick Ledwith, and Chip Ward will be available for questions.