

SPECIAL TOWN MEETING

January 25, 2016 – 7:30 p.m.

Samuel Staples Elementary School, 515 Morehouse Road, Easton

MINUTES

Present:

Adam Dunsby, First Selectman; Robert Lessler, Selectman; Carolyn Colangelo, Selectman;
Christine Halloran, Town Clerk

Attendees:

Jeff Parker, Board of Education
Over 120 members of the public

The First Selectman called to order the meeting at 7:36 p.m.

The First Selectman asked for a motion to nominate a Moderator. Dori Wollen nominated Bill Kupinse. The motion was seconded. The nomination was approved by voice vote.

The Town Clerk read the call of the meeting. A copy is attached. The Moderator then proceeded with the agenda items.

Item 1: Discussion and possible action to change the scope of work for the Wells Hill Bridge Capital Project to the Wells Hill Bridge and South Park Avenue Bridges over the Mill River and near Buck Hill Road (Bridge #04211 and #04213) for design work.

Adam Dunsby presented background information regarding the bridges on South Park Avenue in Easton – one near Buck Hill Road and the other by Riverside Lane. The Town repaired the bridge on Riverside Lane. The bridge on Buck Hill Road must be replaced. The Town applied for and received a grant in the amount of approximately \$1,400,000 which will cover construction costs. The Town must pay for the design costs. The Town has a Capital Project Fund from when the Town repaired Wells Hill Bridge with about \$103,000.00 remaining which could be used for this project's design work. The Board of Finance previously approved the fund and the fund was created by the Town Meeting. No further questions regarding the presentation. The Moderator called for a motion. Wendy Bowditch moved that the scope of permissible work for the Wells Hill Bridge Capital Project Fund be changed to include design work for replacement bridges over the Mill River on South Park Avenue near Buck Hill Road (bridge #04211) and near Riverside Lane (bridge #04213). The motion was seconded. No further discussion, public comment, or questions. The Moderator requested that all in favor say "aye" and all opposed say "no." The "aye" wins. Motion carried by voice vote.

Item 2: Discussion and possible approval of a special appropriation in the amount of \$1,200,000 from the unassigned fund balance to the Board of Education to cover the shortfall in the Internal Service Fund for health insurance claims.

Adam Dunsby presented a brief overview of the Town's financial position and the unassigned fund balance. Jeff Parker presented an overview of the Board of Education's unprecedented increase in health care claims over the past 8 months which do not appear to be re-occurring costs for either the employees or the Town. The shortfall still remains. The Board of Education is self-insured and pays health care claims and administrative fees. Mr. Parker estimates a better position for 2016-2017. Presentation attached. The Moderator called for a motion to approve a special appropriation in the amount of \$1,200,000 from the unassigned fund balance to the Board of Education to cover the shortfall in the Internal Service Fund for health insurance claims. Paul Coppinger moved. The motion was seconded. The Moderator called for further discussion and questions. A resident commented on the policies and procedures regarding warning town citizens. No further discussion, questions or comments. The Moderator called for a vote and requested that all in favor say "aye" and all opposed say "no." The "aye" wins. Motion carried by voice vote.

Item 6: Adjournment.

The Moderator called for a motion for adjournment of the Town Meeting. Paul Coppinger moved. The motion was seconded. No further discussion, public comment, or questions. The Moderator requested that all those in favor of adjourning say "aye" and all opposed signify by saying "no." The "aye" wins. The Motion carried by voice vote and the meeting adjourned at 7:58pm.

Submitted by,
Christine Halloran, Easton Town Clerk

Easton

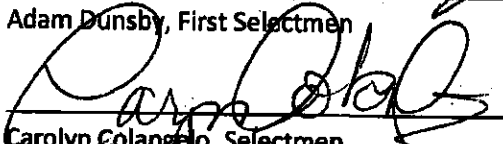
Notice – Special town Meeting
January 25, 2016 – 7:30 p.m.

Warning is hereby given of the Special Town Meeting to be held within and for the town of Easton on January 25, 2016 at 7:30 p.m. at Samuel Staples Elementary School, 515 Morehouse Road, Easton to discuss and act upon the following:

1. Discussion and possible action to change the scope of work for the Wells Hill Bridge Capital Project to the Wells Hill Bridge and South Park Avenue Bridges over the Mill River and near Buck Hill Road (Bridge #04211 and #04213) for design work.
2. Discussion and possible approval of a special appropriation in the amount of \$1,200,000 from the unassigned fund balance to the Board of Education to cover the shortfall in the Internal Service Fund for health insurance claims.
3. Adjournment

Per Order of the Easton Board of Selectmen


Adam Dunsby, First Selectmen


Carolyn Colangelo, Selectmen


Robert Lessler, Selectmen

3A~01-25-16

Easton's Financial Position (approximate)

Unassigned fund balance June 2015	\$5,537,000
This year's extra revenue from tax collector	\$730,000
Appropriation to school	(\$1,200,000)
Surplus operating revenue - lost grant funding	?
Projected June 2016 unassigned fund balance	\$5,067,000
2015/16 Town Budget	\$43,000,000

Board of Education Request for an Additional Appropriation

January 25, 2016

Board of Education Additional Appropriation Request

► \$1,200,000

Is needed to fund current year health
insurance claims

2

Board of Education Additional Appropriation Request

- ▶ What does it mean to be “Self Insured”?
- ▶ District pays actual health insurance claims
- ▶ District pays Anthem
 - ▶ Administrative Fees
 - ▶ Stop Loss Insurance Premium for claims > \$150,000 per individual per illness per year

Board of Education Additional Appropriation Request

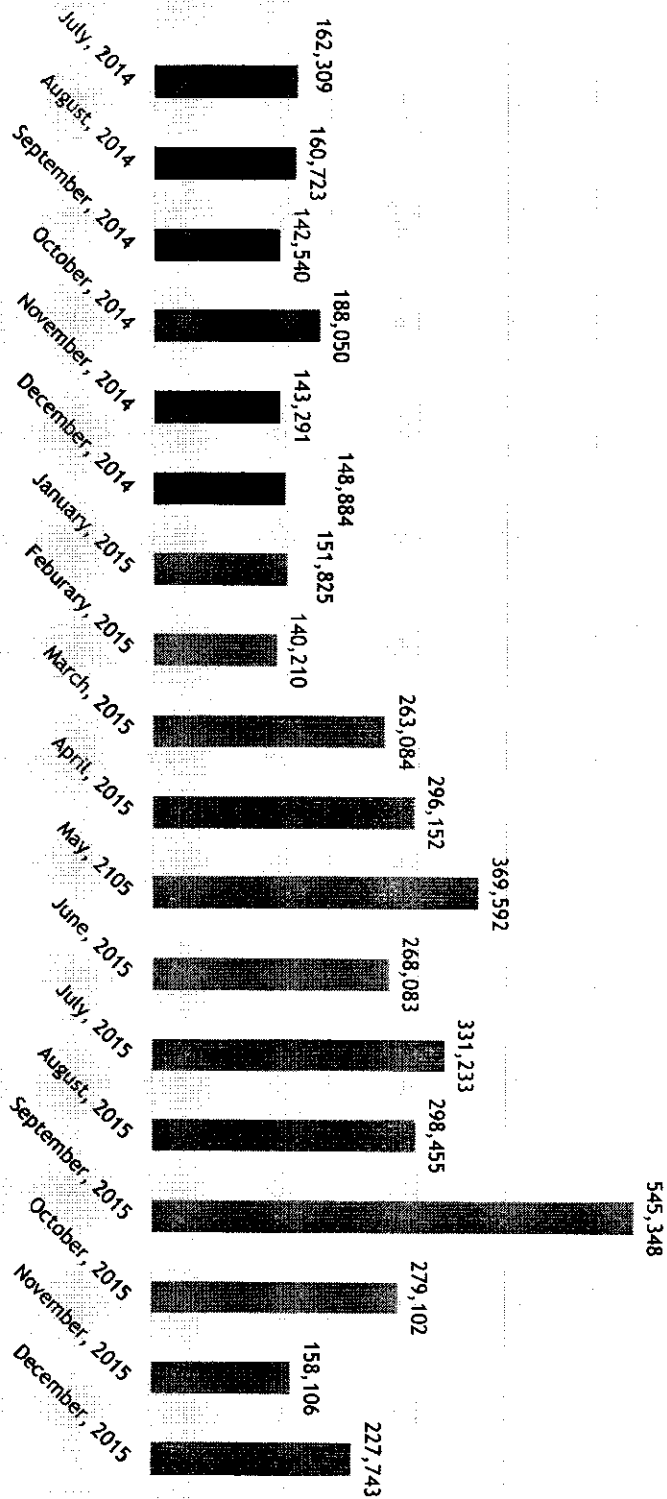
► WHY?

	Actual through 12/31/15	Projected to 6/30/16
Health Insurance Reserve 7/1/15	\$ 19,613	\$ 19,613
Add: Deposits	\$1,892,083	\$2,077,352
Less: Claims	- \$1,839,987	- \$2,796,485
Less: Administrative Fees	- \$ 135,088	- \$ 270,176
Health Insurance Reserve 12/31/15	- \$ 63,379	- \$ 969,696

Board of Education

Additional Appropriation Request

Easton Monthly Claims
July, 2014 - December, 2015



Board of Education

Additional Appropriation Request

2015-2016 Annual Budget for Health Insurance

▶ Anthem's Projected Claims:	\$1,888,137
▶ Anthem's Administrative Fee:	\$ 262,178
▶ Employee & Retiree Contributions:	<u>\$ -489,687</u>
▶ Annual Budget:	\$1,660,628

Board of Education Additional Appropriation Request

- ▶ How much money has been saved by being Self Insured?

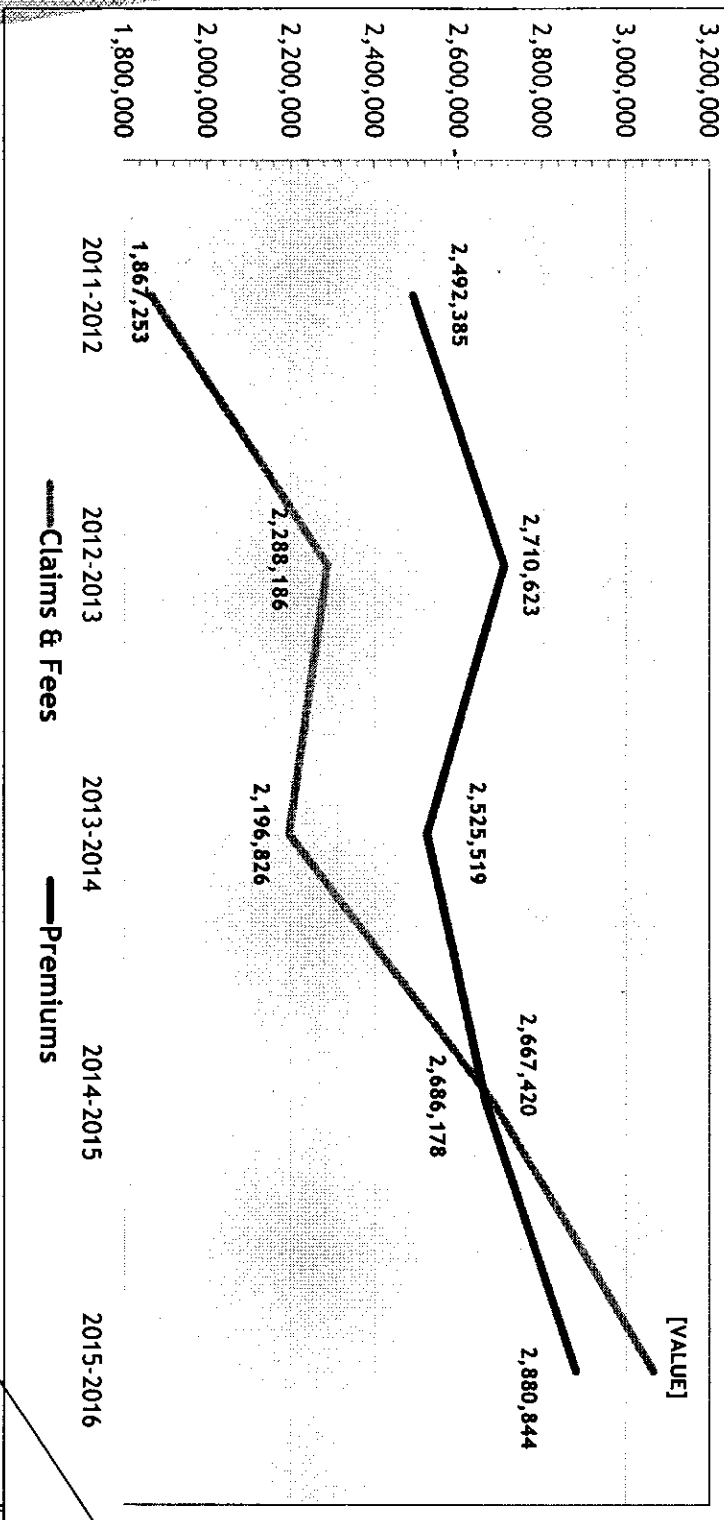
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Board of Education

Additional Appropriation Request

Annual Health Insurance
Claims, Administrative Fees vs. Premium



Savings over 5 years: \$1,171,687

Board of Education Additional Appropriation Request

▶ What is the current health insurance for a Board of Education employee?

▶ Employee Co-pays

- ▶ Office visit \$30
- ▶ Specialist office visit \$35
- ▶ Hospital \$200
- ▶ Outpatient \$100
- ▶ Prescriptions \$5, \$30, \$40

Board of Education

Additional Appropriation Request

- What does a Board of Education employee contribute towards their health insurance costs?

	Board of Ed 15% - 20%	Town HSA 5%	Town PPO 5%
Single Board/Town Expense	\$1,728 \$6,912	\$563 (\$1,000 deductible) \$10,697	\$708 \$13,452
Employee + 1 Board/Town Expense	\$3,632 \$14,528	\$1,208 (\$2,000 deductible) \$22,944	\$1,689 \$32,099
Family Board/Town Expense	\$4,612 \$18,448	\$1,585 (\$2,000 deductible) \$30,124	\$2,003 \$38,048

Board of Education Additional Appropriation Request

- ▶ How does the future look for health claims?



Board of Education

Additional Appropriation Request

- ▶ What happens if this is not approved?
- ▶ For the remainder of the 2015-2016 school year, programs will be discontinued, many employees will be furloughed and class sizes will increase.
- ▶ Future operating budget requests will be increased to cover these excess claims and to repay the Region 9 and Redding School Districts.