

Minutes
Group Insurance Subcommittee
March 23,2022 – 4:00 pm
Second Floor Town Hall Conference Room and via Zoom

Meeting called to order by Don Ravenelle via Zoom at 4:01 PM

Members Present: Don Ravenelle Sub Committee Chair and Zachery Sletterink via Zoom and Dan Sherman in person.

Town Hall Department Attendees Present: Stephen Maio Town Administrator, Kevin Gill Town Accountant, Amy B. Forziati Human Resources Director and Karin Doucette Payroll and Benefits Manager all in person

- 1) Public Participation: No members of the Public were present.
- 2) Stephen Maio presented an overview of the FY2023 Group Insurance Budget. The Budget covers the insurance costs of 1411 plans including 829 retirees. The total budget displays an increase of 5.6% or \$691,843. This increase is driven by the increases of the different options at the GIC-Non-Medicare Plans as the different plans increased at a range from 3% to 10.3%. Unfortunately, the plan that increased at 10.3% (Allways), is one of the more popular plans. It is also noted that Allways still remains one of the lower cost plans. Medicare Plans increased at a range from 1.2 to 3.9%. It was noted that open enrollment had not yet occurred it is anticipated that employees could move within the GIC to less expensive options. Another factor is that the Fallon will no longer participate in the GIC. Over 30 members will need to move to other plans. A potential of 16 new participants have been included in the budget. In order to lessen the burden on the Tax Levy, it is proposed that the OPEB contribution be reduced to \$1.4 Million in FY2022. The OPEB account will be reevaluated this summer (balance of \$25.5 Million at the close of FY2021). Once the new OPEB schedule is established, additional funds could be added later if necessary.

The committee reviewed the components of the budget including the costs to administer the FSA accounts and questioned the calculations made in regard to the chargebacks to the enterprise accounts. The Committee also questioned the increase in personnel cost. It was noted that a mid-year FY2022 adjustment had been made in the Salaries due to excellent performance, additional duties as well as market conditions. It was also noted that it is anticipated that this budget will return approximately \$300,000 to the General fund at the end of FY2022. The committee discussed the feasibility of applying these funds to OPEB as an alternative to returning to the general fund. No recommendation was made to change the current approach.

- 3) Motion to adjourn at 4:47 PM by Dan Sherman seconded by Zachery Sletterink and so voted.