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By Town Clerk's Office at 4:59 pm, Apr 26, 2023

TOWN OF BURLINGTON

Meeting Minutes

DEPT./BOARD: Ways and Means Town Hall 1 Subcommittee
DATE: APRIL 4, 2023
TIME: 8:00 AM
PLACE: Town Hall Conference Room

MEMBERS and INVITED OFFICIALS:

Present:

John Danizio – Assistant Town Administrator
Gary Gianino – Treasurer/Collector
Frank Monaco – Town Hall 1
Paul Sagarino – Town Administrator
David Tait – Chair Town Hall 1

Absent: None

Meeting Purpose:

Discuss Proposed FY24 Budgets

(AA)Chapter 32B Health Insurance \$16,248,398 a 3.94% increase

An overview of the claims history and plans performance was discussed. Over the last year we have experienced a slightly higher claims level on a YOY basis. The Administration has raised the premiums 4% for all plans. In order to encourage use of the HSA (Health Savings Account) the fees are level funded.

The health trust fund has a balance of about \$10million. This is a very healthy balance which will be slowly brought down by setting premiums slightly lower than costs to burn off some of the positive balance over time. Currently \$7million is invested at 4% in a one year CD.

The open market health insurance rates are experiencing about 8%YOY increases which means our self-insured program is favorable on a fully loaded basis. We employ a health care consultant for support on plan design and we monitor claims on a monthly basis as needed. Internally we have one fulltime staff person managing all aspects of the programs including assisting our subscribers.

The estimate is we are saving about \$500.000 annually. In order to protect against extraordinary illness we carry stop loss insurance and set the deductible at the point where we have sufficient coverage but achieve some savings on our stop loss insurance cost. All plans and insurance are reviewed annually.

Vote: 2-0-0





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Other Accounts 87 Reserve Fund \$200,000 level funded

Discussion about whether the amount is appropriate concluded level funding this is best.

Vote: 2-0-0

Other Accounts 89 Negotiated Settlements \$298,516 a 276.4% increase

The only unsettled contract is the A&P group (about 43 people). The amount budgeted varies year to year depending on anticipated contract and other employee obligations.

Vote: 2-0-0

Adjourned 9:20 AM

