

EXECUTIVE SESSION
Needham Finance Committee
Minutes of Meeting of June 22, 2011

The Executive Session of the Finance Committee was called to order by the Chair, Richard Zimbone, after a unanimous vote by the Committee during an open meeting to go into Executive Session at approximately 7:45 pm in the PSAB Building (temporary Town Hall.)

Present from the Finance Committee:

Richard Zimbone, Chair; Matthew Borrelli, Vice Chair

Members: Richard Creem, Richard Lunetta, Gary McNeill, Richard Reilly, Steven Rosenstock, Lisa Zappala

Also Present:

David Davison, Assistant Town Manager/Director of Finance

Kate Fitzpatrick, Town Manager

Collective Bargaining

Ms. Fitzpatrick stated that the Town has reached a tentative agreement with the Independent Town Workers Association which is subject to ratification of the Union. It is an amalgam of the DPW, the non-union and the School agreements: all will move to rate saver health insurance by January 1, 2012 (approximately 75 people); a 1% COLA as of the date of conversion in January (not July) for FY 2012; 2% COLA in FY 2013; and 2% COLA in FY 2014. There will also be a one-time lump sum payment of \$500, which is non-pensionable and not part of the base salary. There are also some language corrections. The current contract expires at the end of FY 2011, and this will take effect on January 1, 2012. In response to a question from Mr. Lunetta, Ms. Fitzpatrick stated that the cost of the 1% COLA will be approximately \$21,000 annually, or approximately \$10,000 for half of the year. Ms. Fitzpatrick stated that the Town also agreed to set up a health reimbursement account for three years after the transition to rate saver plans. Based on the School Department savings of \$57,000 in the first year of the rate saver plans, she would expect less than half that for this unit. The \$500 payment will be given to 46 people. Mr. Creem asked how the proposed legislative changes affected the negotiations. Ms. Fitzpatrick stated that the union representative understood what was happening and felt a need to rush. She added that she feels there are flaws in the senate version of the bill because the Town will have to bring retired employees share of benefits to the level of active employees. There are, however, limits to the changes that can be made. The proposed changes can be used at the bargaining table. In response to a question from Mr. Borrelli, Ms. Fitzpatrick stated that the health insurance savings will be used for health insurance increases in FY 2013, which are expected to be 5-7%.

MOVED: By Mr. Creem moved that the Finance Committee exit the executive session and adjourn at approximately 8:00 p.m., there being no further business. Mr. Reilly seconded the motion. The motion was approved by a unanimous vote of the Finance Committee of 8-0.

Respectfully submitted,

Louise Mizgerd
Staff Analyst

Approved September 9, 2015