



**STAFF REPORT**  
*Public Hearing 3-2-21*

AGENDA ITEM #: 21-19  
COUNCIL MTG OF: February 16, 2021  
FROM: Dave Caron, Town Administrator  
OFFERED BY: Administration  
PREPARED BY: Mark A. Fleischer, Chief Financial Officer  
SUBJECT: Transfer Funds to the CBA Implementation Trust

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**INTRODUCTION:** To accept unanticipated revenues from Health Trust and Primex and approve a transfer to the CBA Implementation Trust

#### TOWN ADMINISTRATOR COMMENTS

The Town Council is encouraged to accept unanticipated revenues from Health Trust and Primex and transfer a portion to the CBA Implementation Trust to assist with paying future CBA costs.

#### BACKGROUND

Health Trust provides health, dental, short-term and long-term disability and life insurance coverages and Primex provides unemployment insurance to the Town for its employees.

#### DISCUSSION

In October 2020, based on their FY2021 audited financial statements, the Board of Directors of Health Trust declared there was an accumulated premium surplus based on health, dental and short-term disability insurance premiums paid by the Town. Due to this declaration, a total of \$194,215.85 was returned to the Town. Additionally, in early FY2021, the Board of Directors of Primex declared a premium holiday on FY2021 unemployment insurance premiums and returned \$19,875.80 to the Town as the annual premium had already been paid.

#### FISCAL IMPACT

The total unanticipated revenue received by the Town was \$214,091.65. Of the \$194,215.85 surplus received from Health Trust, \$115,264.90 represents the Town share of the surplus. The balance will be refunded to current and former employees and retirees, based upon a percentage of their cost share. Of the \$19,875.80 received from Primex, the entire amount represents the Town share of the premium holiday.

The total Town share is \$131,140.70 and is being recommended to be transferred to the CBA Implementation Trust for future use.

#### RECOMMENDED ACTION & MOTION BY COUNCIL

I move the adoption of Resolution #2021-014 (please read the motion).

Please see Resolution #2021-014