

STAFF REPORT

AGENDA ITEM #: 21-23
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

INTRODUCTION: Transfer unexpended appropriations related to Allegiant Health Care premiums for employees of the Teamsters Local #633 Bargaining Unit to the CBA Implementation Trust.

TOWN ADMINISTRATOR COMMENTS

The Town Council is encouraged to approve the transfer of unexpended appropriations related to health care premiums to the CBA Implementation Trust to assist with paying future CBA costs.

BACKGROUND

Allegiant Health Care premiums for FY2021 were not available when preparing the FY2021 budget. Per contract, health care premiums for the Teamsters Bargaining Unit cannot increase more than 8% in any given year. Since the actual rates were unknown at that time, the maximum 8% increase was used to formulate the budget.

DISCUSSION

The actual rates for FY2021 from Allegiant were made available in early May, too late to change the budget. The actual rates increased only 6% rather than the estimated 8%. The differences in the rates resulted in unexpended appropriations for FY2021 in certain activity centers.

FISCAL IMPACT

Using the actual 6% rate yielded a total of **\$12,869** in unexpended appropriations allocated as follows:

Police-**\$464**, Department of Public Works-**\$9,932**, Water Fund-**\$1,192**, Wastewater Fund-**\$1,281**.

It is these funds that are being recommended be transferred to the CBA Implementation Trust.

RECOMMENDED ACTION & MOTION BY COUNCIL

I move the adoption of Resolution #2021-016 (please read the motion).

Please see Resolution #2021-016