



STAFF REPORT

AGENDA ITEM #: 23-84
COUNCIL MTG OF: July 11, 2023
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 FY2024 were not available when preparing the FY2024 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 FY2024 from Allegiant were made available in early May, too late to change the budget. The actual rates increased only 4% rather than the estimated 8%. The differences in the rates resulted in unexpended appropriations for FY2024 in certain activity centers.

FISCAL IMPACT

Using the actual 4% rate yielded a total of **\$28,093** in unexpended appropriations allocated as follows:

Police-**\$1,063**, Department of Public Works-**\$20,774**, Water Fund-**\$2,527**, Wastewater Fund-**\$3,729**.

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

RECOMMENDED ACTION & MOTION BY COUNCIL

Please see Resolution #2023-055



RESOLUTION

Number 2023-055

To Transfer Unexpended Appropriations to the CBA Implementation
Trust.

WHEREAS, the Section 9.7 of the Town Charter authorizes the Town Administrator, with approval of the majority of the Town Council to transfer any unencumbered appropriation balance; and

WHEREAS, the Town partners with Allegiant Health Care to provide health insurance coverage to its employees; and

WHEREAS, FY24 budgeted health care premiums for Allegiant exceeded the amount necessary to provide coverage; and

WHEREAS, the Town Council pursuant to Resolution #2017-038 created the CBA Implementation Expendable Trust Fund to assist with funding current or future collective bargaining agreements;

NOW, THEREFORE, BE IT RESOLVED IN COUNCIL that the Town Administrator is hereby authorized to transfer \$28,093 from the following Departments to the CBA Implementation Expendable Trust Fund:

Department of Public Works -	\$ 20,774
Police Department	\$ 1,063
Water Fund	\$ 2,527
Wastewater Fund	\$ 3,729

This Resolution shall take effect immediately upon its passage.

Adopted July 11, 2023

Attest:

X _____

Charles Foote, Council Chair

Date: _____

X _____

Christina Guilford, Town Clerk

Date: _____