

## REGULAR MEETING MINUTES OF THE RTM FINANCE & BUDGET COMMITTEE

Thursday, February 2, 2023

Place: Virtual GoTo Meeting Conference Call @ 7:30 pm

### 1. Call to Order: @ 7:34 pm

#### Committee Members Attendance:

	Jack Davis	Barry Baldwin	Luisa Brakman	Werner Domittner	Millyn Gaaserrud	Elizabeth Lane
Present	X			X	X	X
Absent		X	X			

	Iris Mix	Peter Orphanos	Jenny Schwartz	Bill Smith	Bert von Stuelpnagl	Charles Teschner
Present	X	X	X	X	X	X
Absent						

10 Present and 2 Absent. Needed for Quorum: 7. Quorum attained.

### 2. Other Attendees Present: None

The meeting may be viewed here: <https://vimeo.com/795593733>

### 3. DISCUSS BOARD OF EDUCATION BUDGET

Mr. Davis stated that the Board of Education is in process of reviewing the Superintendent's proposed budget. The committee is in receipt of documentation outlining potential areas of the BOE budget that could be reduced or eliminated, and such documentation can be found here: <https://resources.finalseite.net/images/v1675111885/darienpsorg/sz2fziccxj159irrt19/0131specialmtgagenda.pdf>

Mr. Davis stated that this is one of the highest budgets he has seen in a while and is hoping the budget comes in under a 4% increase. Mr. Teschner asked if a 10-year CAGR is available. Discussion topics also included transportation costs and the proposed work on the auditorium.

### 4. DISCUSSION OF AND ASSIGNMENTS TO THE BOARD OF SELECTMEN BUDGET

Committee members provided initial feedback on the proposed Board of Selectmen budget. The general sense was that the currently proposed budget, which shows almost a 6% increase, is too

high. Discussion topics include (i) the consideration of surcharging for credit card processing to reduce expenses, (ii) the proposed addition of fire department employees, (iii) the costs associated with new development projects that are being added to the Town, (iv) cyclical health care costs, (v) the impact of inflation, and (vi) revenue opportunities. Mr. Davis raised the consideration of the timing of hiring FTEs, which represents growth in expenditures vs. core, in light of the impact of recent inflationary pressures.

Committee members were assigned to various areas of the Board of Selectmen budget for review.

#### **5. APPROVAL OF THE MINUTES FROM JANUARY 18, 2023**

**Moved: Mr. von Stuelpnagel**

**2nd: Mr. Domittner**

The minutes were approved unanimously at (10:0:0).

#### **6. MOTION TO ADJOURN for F&B MEMBERS**

**Moved: Ms. Lane**

**2nd: Mr. Orphanos**

The Motion was passed. (10:0:0).

**Meeting adjourned at 9:42 p.m.**

Respectfully submitted,

Jenny Schwartz, Clerk

Date: 2/13/23



TO: Monica McNally, First Selectman

FROM: Kathleen Buch, Town Administrator

DATE: January 5, 2023

SUBJECT: Darien Police Association Contract Settlement

As you know, the Town's bargaining team recently reached an agreement on a successor contract with the Darien Police Association for the contract that expired on June 30, 2022. Our team worked well together, exploring options, evaluating consequences of proposals, considering and developing new ideas while remaining mindful of our responsibility to the taxpayers.. I want to thank Susan Barksdale, Director of Human Resources, Jennifer Charneski, Finance Director and Kevin Cunningham, Police Commissioner for their efforts.

Overall, the average annual increase in cost of this contract is approximately .03 mills per year, based on the October 1, 2022 Grand List. This assumes status quo in union positions and medical premiums, and is based on currently quantifiable items.

The major economic items are as follows:

**Wages:**

The general wage increases agreed to are as follows:

- 7/01/22 – 2.75%
- 7/01/23 – 2.75%
- 7/01/24 – 3.125%
- 7/01/25 – 3.125%

The general wage increases are about at the average negotiated settlements in the first two years, and higher in the third year. The wage increases are higher than average negotiated settlements for all employee types (not just public safety) and are slightly higher than the average arbitrated settlements for FY 22, but lower than the average arbitrated settlement for FY 24. No data is available on arbitrated settlements past FY 24. As a consideration for the currently high cost of living, the Town agreed to a signing bonus of \$1,500 per member who is employed as of the date of the execution of the agreement. As with other Town employees groups, this is a mature union, with approximately two-thirds of the members on the top step of their rank. As such, they will only receive the general wage increase for the life of this contract. By the end of the contract, assuming no retirements or changes in

rank, over 90% of the members will be at the top step. When considering those members who will still receive step increases, and assuming there are no changes in positions over the contract period, the average cost increase over the duration of the contract is 3.95%. The overall cost of this contract would be impacted by changes in personnel and rank.

### **Medical changes effective 7/01/23:**

There are no changes to the provisions of the medical plan. We agreed to the following increases in employees' premium cost share:

- 7/01/23 – increase to 11.0%
- 7/01/24 – increase to 12%
- 6/30/26 – increase to 13.0%

Cost savings from the above medical changes are estimated at \$8,000 per year. These savings are based on the current premiums as of 01/05/2022, but make no assumptions for further rate increases. The increase in cost share on the last day of the contract ensures that a premium increase is already in place, while we are negotiating the next contract. This same provision was in place on the last day of the old contract, which proved valuable, as the contract will have been expired for 6 months when signed. Without that provision, employees would likely not have paid an increased share of the premium for FY 23 at all.

### **Retirement plan:**

There are no changes to the current Police Pension Plan. The new contract does provide an additional means for officers to save for retirement. The Town has agreed to allow members to “cash in” up to six (6) sick days annually in exchange for a contribution to the employee's 457 account. We believe that, in addition to providing retirement savings for employees, it will encourage employees to manage their sick time appropriately.

### **Other**

More minor changes include a small boost in longevity pay rates and a small increase in the sick time accrual rate. There are language changes regarding use of personal days and bereavement time.

### **Summary**

There are also language changes that are administrative in nature.

I believe that the proposed contract settlement is a good outcome - fair to both sides. We continue to work to manage the Town's medical costs by increasing the premium cost share for employees.

cc: Board of Selectmen