

HMEA- Summary of Savings Compared to City of Hartford Recovery Plan (Authored March 8, 2018)

Summary of HMEA Active Employees - Active Employee Inquiry

| 2019 Active Employees | | | | | |
|--|----------------|-------------------------|--------------------------------------|------------------|----------------|
| Personnel Status | # of Employees | Total Pay Period Salary | Total Pay Annual Salary ¹ | 1% of Active Pay | 1 Furlough Day |
| 1_Full Time Employees - GF | 147 | 425,227 | 11,055,914 | 110,559 | 42,523 |
| 3_Grant Fund FT Employees | 21 | 58,650 | 1,524,909 | 15,249 | 5,865 |
| Grand Total - All Funds | 168 | 483,877 | 12,580,823 | 125,808 | 48,388 |
| Average Salary - FT All Funds | | | 74,886 | | |
| 2_Part Time/Seasonal Employees | 2 | - | 46,535 | 465.35 | 179 |
| Grand Total Full Time - All Funds | | | 12,627,358 | 126,274 | 48,567 |
| | | | 1.5% of pay | \$ 188,712.35 | |

| Issue # | General Topic | Change | Fiscal Impact | | | | Issue # & Decision |
|--|-----------------------------|--|---------------|----------------------|--------------|--------------|---|
| | | | FY17-18 | FY18-19 | FY19-20 | FY20-21 | |
| | Wages | Wages Assumption (all Funds) Wages \$ Savings (Wage Reserve of 1.5%) (Compounded) ² Step \$ Savings ³ | \$ - | \$ 377,425 | \$ 566,137 | \$ 754,849 | Issue 4 & 5: No Step in Year 3 (FY20) and a step in Year 4 (FY21) |
| | Healthcare | HPPH / H SA Plan Design Change effective 1/1/19 (FY2019) ⁴ | | \$ - | \$ 395,500 | \$ 395,500 | Issue 8: Awarded to City as proposed |
| | Health Premium Cost Share | Currently 18% of PPO Change to 19% PPO in FY2019; 20% of HDHP in FY2020; 21% in FY2021 ⁵ Healthy Hartford Program modeled after State Plan | | \$ 10,467 | \$ (64,500) | \$ (39,400) | Issues 14-17: Cost Share language awarded to City as proposed |
| | Pension ⁶ | Increased Contribution eff FY19, FY20, FY21 Pre 2003 / Post 2003 HMEA - 3% Pts over term Post 2017 HMEA - 2% pts over term Assumes 50% of FY2019 | | \$ 41,936 | \$ 251,616 | \$ 368,638 | Issues 21-23: Awarded to City as proposed Issues 27-29: Awarded to City as proposed Issues 36-37: Awarded to City as proposed |
| | Retiree HI | Coverage changes as it changes for actives | | NO IMMEDIATE SAVINGS | | | |
| | | Total Savings: | \$ - | \$ 429,827 | \$ 1,267,261 | \$ 1,479,588 | |
| | Sick Leave | Current Employees: Annual Accruals remain at 15 days (120 hours per year) Max Accrual Cap from 150 to 120 days (1200 hours to 960 hours) Payout w/ <10 YOS = 35% at retirement only Payout w/ >10+ YOS = 50% at retirement only New Empl: Cap at 80 days, no payout | | \$ - | \$ 4,135 | \$ 9,752 | Issues 40,42, & 43: Awarded to City as proposed Issue 45: Awarded to City; however, doesn't take effect until FY20 |
| | Furloughs ⁷ | 2 Furloughs per year | | \$ - | \$ 97,134 | \$ 97,134 | |
| | Vacation Leave ⁸ | Current: Cap of up to 13 weeks New: Cap of 8 weeks maximum (no change to payout at 100%) Annual Accruals from 5 to 4 weeks (200 hours to 160 hours) for employees with =>15 YOS and 4.2 to 3.8 weeks for employees with <15 YOS | | \$ - | \$ - | \$ - | Issue 39: Removed as Issue awarded to Union |
| | | Total Savings & Cost Avoidance: | \$ - | \$ 429,827 | \$ 1,368,530 | \$ 1,586,474 | |
| | | FY2018 Wage Rsv avoided | \$ - | \$ 188,712.00 | | | |
| | | Total | \$ - | \$ 618,539.43 | | | |
| Savings per Municipal Recovery Plan | | | \$ - | \$ 670,441 | \$ 962,362 | \$ 1,256,434 | |
| Variance to Recovery Plan | | | \$ - | \$ (51,902) | \$ 406,168 | \$ 330,040 | |

Notes:

- 1) Total Budgeted Annual Salary for all Active HMEA Employees (less Fringes)
- 2) FY 19 salary reserve included the potential impact of 1.5% GWI for both FY19 & FY20
- 3) FY21 Step Savings removed as Issue awarded to Union (81k)
- 4) No Savings in FY19 for Plan Design Change as doesn't come into effect until FY20
- 5) FY19 assumes 4 months of Cost Share savings (March through June), original projection included 6 (January through June)
- 6) FY19 assumes 4 months of Pension savings (March through June), original projection included 6 (January through June)
- 7) FY19 Furloughs Savings Removed as arbitrated award for this line-item doesn't come into effect until 7/1/2019 (FY20)
- 8) FY19-21 Vacation Leave Savings excluded as arbitrators awarded in favor of union (14k in FY20 & 34k in FY21)

Unquantifiable Savings

| Issue# | Description | Notes |
|--------|------------------------------------|--|
| 12 | PPO Buy-Up | Cost Neutral |
| 13 | HSA Funding for Retirees | Possible savings |
| 18 | Eliminate 125% Cap | Miniscule savings, mostly removes uncertainty on City side |
| 19 | Healthy Hartford Program | No Savings |
| 20 | Retiree Health Coverage- At Age 65 | Benefit is technically cost neutral |