

STATE OF CONNECTICUT
MUNICIPAL ACCOUNTABILITY REVIEW BOARD
SPECIAL MEETING
TELEPHONIC MEETING
DRAFT MINUTES

Meeting Date and Time: Thursday, August 29, 2019, 9:30 AM –10:00 AM

Meeting Call-In Instructions: Telephone (605) 313-4443
Code: 714751

Meeting Location: Office of Policy and Management, 450 Capitol Avenue, 5th Floor, Hartford, CT

Members in Attendance: Secretary McCaw, Deputy Treasurer Savitsky, Commissioner Jackson, Matthew Brokman, Stephen Falcigno, Thomas Hamilton, David Biller, Mark Waxenberg, Robert White

OPM Staff in Attendance: Gareth Bye, Dave Reyes, Julian Freund

Others in Attendance: West Haven Mayor Rossi, Superintendent Cavallaro, Matt Cavallaro, Floyd Dugas, Natasha Banks, Melinda Kaufmann, Lonnie Burt

I. Call to Order & Opening Remarks

The meeting was called to order at 9:33 AM. Secretary McCaw noted that both contracts being considered at this meeting are board of education contracts for non-certified employees. Previously, these contracts had been excluded from MARB review because there are not subject to approval by their local legislative bodies. Clarifying legislation passed was passed in the last legislative session that adds these contracts to those that come under MARB review for approval or rejection.

II. City of West Haven Issues and Items

a. Review, discussion and possible action: Labor contracts

i. Non-Certified School Employees AFSCME Local 2706 (Board of Education)

Mr. Freund provided an overview of the contract which covers just under 100 employees in food service, clerical and maintenance positions. The tentative agreement has been approved by both the union membership and the Board of Education. The subcommittee reviewed the contract at its August meeting and recommended advancing the contract for consideration by the full MARB. The contract provides for two years of hard freezes with a 1% general wage increase in the third year. This follows a contract that also included two years of 0% increases and a 2% increase in the final year. The contract shifts employees to a high deductible health plan and maintains the employee premium share at 17%. The Board of Education provided additional backup information and analysis in advance of the meeting, including financial projections, estimated step savings, health insurance savings, and the impact of the high deductible shift on OPEB. Comparables with settlements in other districts was also included. Superintendent Cavallaro pointed out that the agreement is identical to the agreement previously reached with the teachers union. Mr. White noted that the provision that preserves the district's ability to transition to the State Partnership is a good idea. Mr. Hamilton and Secretary McCaw commended the district on the considerable backup data that was provided regarding this item. Secretary McCaw further recognized the significance of this contract and the support of the union in finding solutions to mitigate costs. A motion to approve the contract was made by Commissioner Jackson and seconded by Mr. Hamilton. The motion passed unanimously.

III. City of Hartford Issues and Items

a. Review, discussion and possible action: Labor contracts

i. Hartford School Support Supervisors (Board of Education)

Mr. Freund explained that this contract covers 39 employees and that the tentative agreement has been approved by both the union membership and the Board of Education. The Hartford subcommittee reviewed the tentative agreement at its August meeting. At the time, the contract had not yet been acted upon by the Board of Education, so the subcommittee briefing was provided in executive session and the subcommittee did not vote on the agreement. The major changes in the contract are described in materials provided by the Board of Education. The MARB could act on the agreement at its September meeting and still be within the required timeline. However, the Board of Education requested including the item on this special meeting agenda because the agreement involves a shift to a high deductible plan. Acting on the plan now would allow for moving employees into the high deductible plan as soon as possible. Ms. Kaufmann provided an overview of the agreement. In addition to transitioning members to a high deductible health plan, the agreement provides for increases of 2%, 1%, 1.5% and 1.0% over the four-year contract. This follows a contract that provided general wage increases of 3% in year one followed by 0% in years two and three. This contract does not include step increases. Employee health premium shares increase by 1% in each year of the contract. Secretary McCaw noted that the transition to the high deductible health plan and the increases in employee premium shares are consistent with other labor agreements reached while under MARB oversight. However, the wage increases in each year of the contract are atypical of contracts coming before the MARB. The Hartford 5-Year Plan does not build in significant increases in funding for Education, which will make absorbing the costs of this contract a challenge for the Board of Education. Mr. Waxenberg shared the Secretary's concerns, and also questioned the consistency among various salary and position tables in the prior contract and how they relate to the proposed contract. Ms. Kaufmann noted that the district is working on aligning the various position tables in the documentation. (Deputy Treasurer leaves call at 10:00 AM) Mr. Falcigno asked about opportunities for revisiting job descriptions or merging positions. Ms. Kaufmann noted that the membership of this bargaining unit had historically been around 80 members. Mr. White asked for the district to provide the MARB with suggestions for offsetting the increases in this agreement. Mr. Biller and other members agreed that additional supporting information from the district would be helpful to the board in making a decision in September. Secretary McCaw requested a table that projects out the costs, savings and net impact of the agreement's provisions over the four year contract. Mr. Waxenberg also requested additional detail concerning positions in the bargaining unit and their salaries in each year of the contract. Mr. Hamilton made a motion to table this item, with a second by Mr. Falcigno. The motion carried unanimously.

IV. Adjourn

A motion to adjourn was made by Mr. Waxenberg at 10:13 AM with a second by Mr. Hamilton. The motion carried unanimously.