

## Town Retiree Health Insurance Advisory Committee

January 17, 2018

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Meeting called to order at 7 PM on January 17, 2018, in the Winchester Town Hall.

Present: V. Laats, Retiree  
J. Dolan, Retiree  
J. Frongillo, Active Employee/Firefighter  
M. Goluboff, Board of Selectmen  
P. Cheimets, Personnel Board; Chair  
J. Brouder, Citizen at Large; Secretary Pro Tem  
S. Ward, Ex-Officio; Town Comptroller

1. **Welcome** – Chairman Cheimets welcomed the group and called the meeting to order.
2. **Minutes** - Chairman Cheimets asked the Committee to approve the minutes from the December 14, 2017 meeting. Upon motion made and seconded, the minutes from the December 14, 2017 meeting were accepted.
3. **Feedback on the Committee’s Contribution Approach**
  - a. Chairman Cheimets distributed his memo from January 4, 2018 that was distributed to the Board of Selectmen. After review, J. Brouder moved that the Committee formally support the Chair’s memo and, upon motion duly made and seconded, J. Brouder’s motion was approved.
  - b. Chairman Cheimets addressed the need to “socialize” our recommendations, by determining the best way to present our findings to various Town bodies. He suggested we need to consider both the short-term (on the annual operating budget) and the long-term (OPEB liability) implications of our recommendations. J. Frongillo asked if it was really the Committee’s task to develop the operating budget relative to our recommendations and Chairman Cheimets suggested that we did need to have some ideas about both the long term and short-term impacts of our ideas.
  - c. Chairman Cheimets, drawing on his Personnel Board background, pointed out that the Town continues to face both recruitment and retention challenges and employee benefits, along with pay, are crucial for attracting and retaining to talent. The group agreed that it made sense to develop a realistic list of benchmark communities and review the Retiree contribution policies of those benchmark communities. The group discussed the somewhat different reasons why teachers and firefighters left Town employment. The sense was that while teachers often left to find a position in a Town closer to their homes, firefighters often left for an immediate increase in pay.

- d. Selectman Goluboff suggested that including funding for the recommended contribution levels as part of an omnibus override proposal would help maintain the recommended contribution percentages in the long run, because the voters would have supported the override referendum.
- e. The Committee briefly discussed the proposal which Selectmen Johnson had advanced, during his tenure on the Committee. Selectman Johnson wanted Town Meeting to formally develop a policy that would require, if and when the pension liability reached full funding in 2029, those monies going to fund the pensions be rolled into funding the OPEB liability. The group then discussed how much money had been appropriated for OPEB funding purposes over the last 4 Fiscal Years. The Committee discussed an appropriate contribution policy. S. Ward indicated that the Town would need to appropriate \$1.5 million annually to approach full funding. The Committee felt that a \$750,000 annual contribution might be a realistic funding goal for Town meeting.
- f. The Committee then discussed the potential for a large premium hike in FY19. The Town's health insurance budget had been flat for several years, but a significant increase was expected for FY19. This would require both an additional budgetary allotment for insurance and that might make getting a larger OPEB contribution difficult.
- g. Selectmen Goluboff stated that the Board of Selectmen was responsible for setting insurance contribution rates, not the Town meeting. He urged the group to remain focused on implementing our contribution recommendations in the short-run while using a potential future override as the vehicle for addressing the OPEB contribution.

~~i. would have their contribution capped at 30%. This motion was seconded and voted affirmatively by the group.~~

4. **Next Meeting-** The next meeting is scheduled for February 15, 2018 at 7 PM. Motion to adjourn; seconded; meeting adjourned.

Respectfully Submitted,  
John Brouder