

IN BOARD OF SUDBURY SELECTMEN
WEDNESDAY, DECEMBER 18, 2013
EXECUTIVE SESSION (9:30 P.M – 9:35 P.M.)

Present: Chairman John C. Drobinski, Vice-Chairman Charles C. Woodard, Selectman Lawrence W. O'Brien, Selectman Robert C. Haarde, Selectman Leonard A. Simon, Assistant Town Manager Maryanne Bilodeau and Town Manager Maureen G. Valente

Collective Bargaining - Insurance Advisory Committee – Dissolving Health Insurance Trust Vote

The Board was previously in receipt of copies of a memorandum from Assistant Town Manager Maryanne Bilodeau to Town Manager Valente dated December 13, 2013.

Town Manager Valente updated the Board on recent discussions with the Insurance Advisory Committee (IAC) regarding options for returning money to eligible employees from the Health Insurance (HI) Trust. She stated the balance in the Health Insurance (HI) Trust was \$5,249,792 as of October 2013, and the approximate employee/retiree portion of this is estimated at 19.59%. Ms. Valente stated the average amount to be received is estimated at \$1,600 per eligible person.

Ms. Valente stated the IAC voted unanimously to dissolve the HI Trust, and she summarized the conditions voted. She stated an employee or retiree must have been covered on June 30, 2012 by one of the plans covered by the Trust, and they must still be an employee at the time the account is frozen for disbursements. Active employees and retirees will receive the same amount of money in only one payment per retiree/family. Ms. Valente stated an outside consultant confirmed to the IAC the recommendations made by the Town. After disbursements are made, the Town will absorb future liability for run-out claims and other expenses through June 30, 2014. In addition, any reinsurance money or other income that is received after the freeze date would remain in the Trust. The Trust needs to remain open until June 30, 2014 for run-out claims. All of the conditions are subject to the Board's approval of the disbursement plan.

Selectman O'Brien stated it is great that all parties were able to reach agreement so early in the process.

It was on motion unanimously

VOTED: To approve the Health Insurance Trust disbursement plan as presented and discussed tonight.

There being no further business, the meeting adjourned at 9:35 p.m.

Attest: _____
Maureen G. Valente
Town Manager-Clerk