

**EXECUTIVE SESSION
Needham Finance Committee
Minutes of Meeting of September 12, 2018**

The Executive Session of the Finance Committee was called to order at approximately 8:30 pm in the Town Hall, Selectmen's Chambers by the Acting Chair, Richard Reilly after a unanimous roll call vote by the Committee during an open meeting to go into Executive Session under Exception 3, and not to return to open session.

Present from the Finance Committee:

Richard Reilly, Acting Chair

Members: John Connelly, Joshua Levy, Richard Lunetta, Louise Miller, Carol Smith-Fachetti

Others present:

Kate Fitzpatrick, Town Manager

David Davison, Assistant Town Manager/Finance Director

Dan Matthews, Board of Selectmen

Collective Bargaining / Special Town Meeting Articles 1-3

Fund Collective Bargaining Agreement – Building Custodian and Tradesman Independent Association

Ms. Fitzpatrick stated that new higher deductible, lower premium health plans have been offered, and over 60% of members have joined. The effect will be a lower increase in health insurance costs. The goal of the negotiations was to keep overall growth in wages to about 4%. She stated that the ITWA growth is 4.1% while the other units are below 4%. She stated that the plan is to have a one-year contract for FY19 for building custodians and tradespeople (BCTIA), then a three-year contract, so that there are not as many contracts on the same cycle. She stated that the Town wanted to convert to monthly vacation accrual for BCTIA and NIPEA of ease of administration. For custodians and tradespeople, there is also a change of when premium pay applies, which will also be for ease of administration. Mr. Davison asked how many FTEs were in the bargaining units. Mr. Davison stated that BCTIA has about 55, ITWA has about 50 and NIPEA has more than 60. Ms. Fitzpatrick stated that the percentage increases factor in all costs and assume that there is no staff turnover, and that there is no savings with retirement.

Mr. Lunetta asked whether the Town made any concessions other than salary increases. Ms. Fitzpatrick stated that the Town is working with the employees to implement flexible work hours. She stated that the classification and compensation study with NIPEA was helpful. Mr. Reilly asked why the amount of funds for steps vary so much. Ms. Fitzpatrick stated that whether there are more people at the maximum pay rate, then there will be higher costs, but no step increases. Mr. Davison stated that when there is turnover,

there are higher increases due to steps. He stated that most step increases are 3%, plus the cost of living increase. He stated that in FY19, there is a 3% increase in wages, effective November 1, so only 2/3 of the year has a higher salary, making the annualized effect 1% lower.

Mr. Reilly asked if there was anything the Town was trying for that it did not get. Ms. Fitzpatrick stated that the DPW is trying to change how overtime is paid. They want premium pay overnight not just weekends. Mr. Davison stated that there will be individual winners and losers. Ms. Fitzpatrick stated that the intention is to make the overtime easier to calculate. She stated that the contract has expired, so the old contract continues.

Mr. Lunetta stated that it would be helpful to make the chart of step increases available to help understand the concept of step increases.

Adjourn

MOVED: By Mr. Connelly moved that the Finance Committee exit the executive session and adjourn, there being no further business. Ms. Miller seconded the motion. The motion was approved by the following roll call vote at approximately 10:25 p.m.: Ms. Smith-Fachetti: Aye; Mr. Connelly: Aye; Mr. Levy: Aye; Mr. Reilly: Aye; Ms. Miller: Aye; Mr. Lunetta: Aye.

Documents: Article 1 – October 10, 2018 Annual Town Meeting – Needham Building Custodian and Trades Independent Association; Article 2 – Needham Independent Public Employee Association; Article 3 – ITWA Collective Bargaining Agreement

Respectfully submitted,

Louise Mizgerd
Staff Analyst