

**WAYS & MEANS COMMITTEE MEETING MINUTES**  
**MONDAY, FEBRUARY 23, 2015**  
**1:30 P.M.**

PRESENT: D. Pangrazio, D. Mahus, T. Baldwin, M. Schuster, D. Cosimano, E. Gott, D. LeFeber, P. Yendell, L. Semmel, B. Donohue, I. Coyle

**PERSONNEL – IAN COYLE**

**Action Item(s) To Be Reported**

1. **AMENDING THE 2015 DEPARTMENT HEAD SALARY SCHEDULE: PERSONNEL OFFICE.**  
RESOLVED, that the 2015 Department Head Salary Schedule is amended as follows:  
Personnel Office
  - Create one full-time Personnel Clerk position with authority to hire within the wage range of \$15.00 – 16.50 per hour.
  - Create one full-time Deputy Personnel Officer position.

Mr. Coyle explained that he is amending this resolution slightly. He is asking that the committee consider the first of these two items. The second item is larger in scope and he would like to wait until Ms. Lynn is here to discuss it.

The first piece of this resolution, the Personnel Clerk, is replacing the position that Brenda Hettrick held before she took a transfer opportunity to the Treasurer's office. Ms. Lynn looked at positions with the Personnel office and did an organizational analysis and what they are coming at is a personnel clerk, which is no different in terms of the hourly or costs to the county, it's just different title with slightly different improvements in terms of the scope of responsibilities that the person would have. There is a list available. This is budget and position neutral. It is necessary to create the position because the title is not called Personnel clerk. Upon successful appointment, the old position will be deleted.

*Motion: Mr. Baldwin moved and Mr. Gott seconded to approve the foregoing resolution Carried.*

Mr. Coyle explained that First Niagara Benefits Consulting is our insurance brokers for the County. A couple of years ago we decided to go self funded medical arrangement. We went self insured and tried to mirror our plan options that we had under Excellus and for the under 65 plans so that active employees and retirees under 65 were moved over to the self insured model. Our third party administrator is POMCO and we have Express Scripts on the Rx side of the equation. First Niagara will do a very brief presentation with some handouts as far as what plan performance looks like, what are the challenges in the out years, what are the challenges right now, how's budget to actual look for the first couple of years and how things are tracking presently.

**FIRST NIAGARA BENEFITS CONSULTING – JOHN LYNCH**

1. **COUNTY'S SELF FUNDED MEDICAL PROGRAM PERFORMANCE UPDATE**

Mr. Lynch distributed his presentation information for discussion. Mr. Lynch stated that he appreciates the opportunity to walk through the brief presentation. First Niagara is pleased to provide consulting to the county for several years related to the medical coverage that is offered to employees of the county and pre Medicare retirees. The presentation will walk through some areas at a very high level, so please ask questions along the way. Mr. Lynch reviewed the historical perspective, components of the plan costs, healthcare plan finances, budget versus actual performance, major impacts to healthcare trends and future issues and strategies. The plan coverage discussed applies to the medical plan. Several years ago the County was insured by Excellus. Once the monthly premium was paid, Excellus then took on all the liability for healthcare expenses for that month. Meetings were held to determine what was best the county and there was a bid held. POMCO is a third party administrator, also known as a TPA. The decision was also made to go with a stand alone pharmacy administrator called Express Scripts. Some taxes and fees are avoided because we are self insured. There is no reason to look at a specific persons claim unless there is a problem. When this program first began, there were problems with ambulance claims that were then fine tuned to correct the problem. The largest percentage of expenses goes toward claims. Stop loss insurance protects the

County against high cost claims. Looking at our distribution of claims percentages, our program is running very well for inpatient, outpatient, physician/major medical and prescription drugs. Most people are taking generic drugs. Specialty drugs are more costly. Mr. Lynch explained that the estimated rates budgets are done.

Mr. Coyle described the work done to meet the verbiage in all of the collective bargaining contracts. The ambulance issue resulted because Excellus was paying for some things that the plan document said they shouldn't pay. Because of the money put in initially, plus the 2 year trend for budget performance, we are sitting with comfortable tail coverage or the IBNR early reserve. He has received an email from the County Treasure on year end issues and auditor clean up. We have what should be in the reserve for a comfortable level and around mid-year we should be able to take some of the money in the insurance account and put it back to the funds that supported it. There was discussion on whether the wellness promotions the County has been instituting have impacted the low cost to the program. Livingston County is performing equal to or slightly better than other self insured counties. From a utilization standpoint, Livingston County is doing slightly better. Impacts to healthcare trends are more people going for services and new technologies and any specialty drugs. There will be years when there is a large claim or two that will make for higher plan costs. Our reserve this year is approximately \$750K-\$1M. A good wellness program, while not showing in black and white, helps keep costs down. There was discussion of the many taxes applied to health insurance plans. Mr. Lynch discussed the proposed PPACA Excise (Cadillac) Tax that goes into effect in 2018. This will be a substantial hit to the County. Mr. Coyle explained that we are discussing this with the unions currently in negotiations. There was discussion on the percent of our population that will be effected by the Cadillac plan. Mr. Lynch described an example of an annual premium threshold of \$10,000 with 100 employees in a plan with a total cost of \$11,000 per year.  $\$1,000 \times 100 = \$100,000$  and the County owes an excise tax of 40% of the \$100,000. There is a lot of interpretation of the legislation that has that hasn't come out yet about whether you average all of your plans or only take a richer plan that is above the threshold or not. They are also adding the max amount for flexible spending to the premium. Mr. Coyle explained that we are negotiating to eliminate flexible spending plans because of this excise tax.

## **COUNTY ADMINISTRATOR – IAN COYLE**

### **Action Item(s) To Be Reported**

#### **1. APPROVING ABSTRACT OF CLAIMS #2B-FEBRUARY 25, 2015**

*Motion: Mr. LeFeber moved and Mr. Mahus seconded to approve the foregoing resolution ....Carried.*

#### **2. AUTHORIZING TRANSFER OF FUNDS – CENTRAL SERVICES, HEALTH, OFFICE FOR THE AGING**

Mr. Coyle explained that the transfers were replacing some outdated computers, phone equipment and a slight overage pricing versus budget on a vehicle for the home delivered meal program.

*Motion: Mr. Schuster moved and Mr. Baldwin seconded to approve the foregoing resolution..Carried.*

#### **3. AMENDING 2015 LIVINGSTON COUNTY BUDGET - HIGHWAY**

RESOLVED, that the 2015 Highway Department budget be amended as follows:

Account	Dept.	Code	Description	Amount
Increase Revenue	D5111	4425	Bridge Materials	\$54,584.30
Increase Appropriation	D5111	9000	Interfund Transfer	\$54,584.30

And,

Account	Dept.	Code	Description	Amount
Increase Revenue	H5117	5031	Capital Bridge Project	\$54,584.30
Increase Appropriation	H5117	2900	Capital Bridge Project	\$54,584.30

Mr. Coyle explained that this was a reimbursement for an intergovernmental effort in Conesus for a FEMA project.

*Motion: Mr. Gott moved and Mr. Cosimano seconded to approve the foregoing resolution .....Carried.*

## **EXECUTIVE SESSION**

Motion made by Mr. LeFeber and seconded by Mr. Mahus that the Board adjourn and reconvene and All Supervisors and County Administrator Ian M. Coyle remain present. Carried.

Mr. LeFeber moved and Mr. Schuster seconded that the Committee reconvened in regular session. The following report was presented.

No action taken.

## **Pre-approved Informational Item(s) To Be Reported**

1. Personnel & Budget Updates
2. Government Efficiency Plans-Mr. Coyle explained that he had a presentation from NYSAC about what he thinks this means. We need to decide what the Committee wants to do with municipalities that, by themselves, can't meet the threshold. Mr. Gott feels that we should include those municipalities under the County. The residents should have this opportunity. That is different than if the municipality just doesn't want to do the work for the plan. Mr. Baldwin feels that everyone should benefit. The County will show significant savings from the CHHA sale alone. Towns and villages have until May 15 to submit their contribution for the plan to us. There was discussion on the different towns going over the cap. It is not worth jeopardizing the budget, just to fall under the cap.
3. Reminder: Legislative Forum is scheduled tomorrow. We are not presenting information so much as asking them to give us information.

Mr. Gott explained that Andrew Chandler is requesting the Committee's approval to come in to discuss the workers compensation. We have had many discussions on this matter and the consensus today is that discussions were finalized over the last few meetings, and the decision was to not advance a change to our plan's law to include districts. There was discussion on other things they should look at for coverage. Mr. Coyle reported on the meeting held by Senator Young that the County Attorney attended. There was discussion of the districts approaching the state to change the wording for volunteers.

## **ADJOURNMENT**

Mr. Baldwin moved and Mr. Schuster seconded to adjourn the meeting at 2:48 p.m.

Respectfully submitted,

Michele R. Rees  
Clerk of the Board