

# CLAY TOWNSHIP

## Board of Trustees Special Meeting

August 28, 2017

The special meeting of Clay Township Trustees was called to order by Trustee President Steve Woolf at 4:00 pm.

Roll call:

Mr. Winner, present Mr. Woolf, present Mr. Vore, present

Trustee Woolf inquired as to issues discussed about budgets, benefits and health insurance at the August 23, 2017 work session.

Fiscal Officer Limbert gave a brief summary of the discussion concerning the five-year budget, the costs projected for 2017 for benefits including health care and possible options. Trustee Woolf had some additional information that has been discussed at some of the Ohio Township meetings that he had attended and the recent OTA magazine. One of the plans that has received quite a bit attention lately is a QSE HRA which is a health benefit reimbursement plan. The amount paid for the plan is 100% tax free for the participants. Employees would secure health insurance on their own and provide documentation of coverage; it is not a Township plan. The Township (employer) can reimburse up to a maximum amount annually to be set, not to exceed \$4,950 per individual and \$10,000 per family. The current health insurance and related benefits expense for the township for the year is projected to exceed \$200,000. Trustee Woolf shared that the entities that have implemented such a plan have experienced significant cost savings, but there were some employee morale issues and possible issues for coverage of the employees with certain medical conditions. It was also noted that whenever there is a reduction of benefits of any kind, employees usually do not like such actions.

Trustee Woolf indicated to be transparent, the Township should prepare a RFP to demonstrate that there is a fair chance for vendors to present a health insurance bid. It was also noted that under the current laws, plans must cover all employees; per the ORC the Township cannot stratify to eliminate an older group of employees such the elected officials to lower premiums. All plans to comply with ACA are age based. There was general discussion. Trustee Vore shared the concerns of coverage, costs, etc. Trustee Woolf shared that he checked out

insurance coverage for his family as a non-employee and the estimated premium cost was about 35% more than the current group cost the Township has. Trustee Vore indicated that for new employees if a HSA is maintained, the Township may want to fund their HSA for possibly 2 to 3 years to assist them in getting their accounts funded to be able to provide payments on their medical expense. Trustee Vore suggested of a possible larger increase in wages with the reduction of benefits for the transition. He thought some of savings in insurance costs could be used to offset the employees' additional medical costs in the transition as additional compensation. Trustee Vore stated there are two issues: the potential savings (short term and long term) to the township and employees paying more for health care.

There was some discussion on what we would put in the RFP and the need of issuing the RFP sooner than later due to various "due dates." For example, employees must be given a 90 day notices of such changes and the Health Insurance contracts runs from January through December. There was general discussion on options that would need to be addressed including the possibility of having a reduction of benefits with an increase of the possibility of increased employee turnover. There was discussion on evaluating employee needs to see if utilization of part-time individuals that would not be required health insurance coverage.

There was also discussion on having a RFP vs advertise for plan proposals. It was determined that a RFP/advertisement should be prepared soon and Fiscal Officer Limbert will prepare census information for interested parties for the RFP/advertisement with cost projections utilizing a 15% increase in scenarios for health insurance premiums and changes in HSA contributions.

Trustee Vore shared some concern on the upcoming Fire/EMS levy. There was discussion as to if monies from our 1.5% administrative fees would be available for the levy. There were questions if the fees received from the Fire/EMS districts were to be maintained in the Fire Fund as they have always been recorded to the General Fund as disclosed by Fiscal Officer Limbert. There was general discussion concerning history of fire/ems contracts and past audits. Copies of the fire contracts will be distributed for review. The Township will follow up with Prosecuting Attorney Alex Hale to review actions that have been taken and what needs to be done, if anything. It was noted that October 7, 2017 is the start of early voting and that the Trustees would have an opportunity to review all information being distributed by the fire levy committee.

Trustee Winner moved to adjourn the meeting; Trustee Woolf seconded the motion.

Roll call:

Winner – Yes

Woolf - Yes

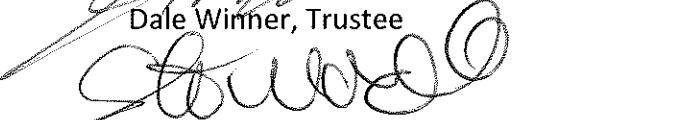
Vore - Yes

Meeting adjourned 5:30 pm.



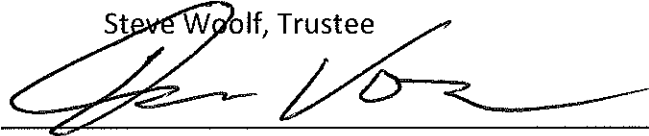
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Dale Winner, Trustee



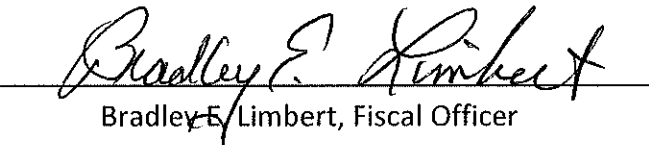
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Steve Woolf, Trustee



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Dave Vore, Trustee



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Bradley E. Limbert, Fiscal Officer