

**COMMITTEE DAY  
LAKE PLEASANT, NY  
MONDAY  
AUGUST 27, 2012**

**INTERNAL MANAGEMENT  
COMMITTEE  
9:30 AM**

Present: Bob Edwards, John Frey, Neil McGovern and Clark Seaman

Also present: Bill Farber, Brian Wells, Rick Wilt, Kim Byrne, Mark & Trish from Burnham Financials and Pete Klein, Press

Bob introduced Mark of Burnham to discuss January's renewal for health insurance. In 2012 if you have more than 250 W-2's you have to report the cost of health care on the W-2's. Kim and Bill stated that we are below 250, we are around 150. Mark stated there isn't any requirement yet on employers your size but you will have to in 2014.

On open enrollment Burnham will have to provide a uniform summary of benefits and coverage requirements. The Federal Government wants them to communicate benefits in a specific format to the employees in addition to what they are already doing. They will work with MVP to have that compliant.

Women's preventable services will be on the renewal for January 1<sup>st</sup>. They are expanding preventive services for women's care. For example; generic oral contraceptives will be covered in full, with that mandate, we are looking at ½ of a percent increase.

The maximum amount for Flexible spending will be \$2,500.

In 2014 every American will have insurance. We have to offer health insurance to anyone who works at least 30 hours per week.

All health plans must meet a minimum level of coverage.

Mark stated we also have to offer as a large employer affordable insurance to the employees. If not there is a penalty to the County in the form of \$3,000 per year for each employee that is not offered.

Bill asked when they talk about employees, is that individual employees or would that be a family plan with children?

Mark stated the IRS came out last year with an opinion and it appears it will be based on a single premium. The affordability will be based on the employee's W-2 and the cost of a single premium.

The Federal Government requires that a health care plan for large employers pay out at least .85 cents on a dollar in the form of claims. MVP has made that .85 cent ratio.

In 2013 there is a New York State mandate for autism coverage; all plans will have to cover autism. That is about a 1% increase to your renewal this year.

Mark then discussed different plans. Bill stated that they have spoken about possibly having two tiers of plans, particularly when trying to attract new employees. Contributing 20% of your pay is a large sum of money for new hires and possibly offering a lower end plan available at their option could be discussed again, discussion continued.

Mark then did a quick review of last year's plan.

John discussed Inlet's plan, he feels that a high deductible should be one of the plans offered.

Mark stated that they would look into a couple of plans with a low and high deductible.

## **BUILDINGS COMMITTEE**

**10:10 AM**

Present: Rick Wilt, John Frey, and Bob Edwards

Also present: Bill Farber, Clark Seaman, Neil McGovern, Brian Wells, Pete Klein, Press and Barbara Blanchard from MEGA

Barbara thanked everyone for inviting her to the meeting.

Barbara reviewed what MEGA is and what resources they offer.

MEGA specializes in providing a service for municipalities, school districts and others that are listed in your handouts. Periodically they pool the power load of all of their participants in the different utility service areas and they do a bid. Then they analyze the responses and identify the energy service company that is going to provide their participants with the most savings. Then if you choose to go with that company, you sign a contract with them; MEGA is just there to assist anyone who might need assistance.

Barbara reviewed how MEGA came about. They started out as a two county partnership; now they have thirty one counties and expecting three more before the end of the year.

Barbara reported that over the duration MEGA has been able to save their participants over \$12 million dollars in electric costs.

Barbara stated that Hamilton County has been with MEGA since 2008, they want to make sure that Hamilton County stays happy and stays with them. Hamilton County has contracts coming up in February; Jeff Hills from Integrys is the representative that will be discussing it with Hamilton County. She understands from talking with him that the pricing is going to be a little bit better than it was last year. A lot of that has to do with the glut of nature gas.

Last year at the NYSAC Conference they had a program called the Energy Trap. They had experts in energy and utility services; they also invited counties that were part of the MEGA program to participate who would not normally attend a NYSAC Conference. They had around fifteen attend; they are doing this Energy Trap again this year. They still have a couple of slots open. Barbara suggested that we might want to send someone again this year. Rick stated that he will talk to Tracy about possibly Dan Fish attending. MEGA covers all the cost of attending.

Rick asked when you go out to bid, have you ever considered having not just the fixed rate but also a marked up rate monthly. Bill and Barbara stated they do have both. Rick stated that Jeff Hills of Integrys has never offered the variable. Barbara stated that she will get on him about that. He may have jumped to the conclusion because so many of the municipalities run a fixed rate. If you elect to be fixed then you can't change to variable, you have to wait until your contract is up. If you take the variable you can stay there until you are ready to go fixed. Barbara stated she feels approximately 70% of the municipalities are now interested in the fixed rate.

Bob stated that we have had presentations from Ambit. Barbara stated that the State Comptroller's Office says that the purchase of commodities, electricity and natural gas is something that is to be bid. It is subject to public bidding requirements. Bill stated that one of the issues in that regard is that some individual Comptroller's Office employees may not be in-tune to the fact that the Comptroller's Office rendered an opinion on that. We have actually had the conversation about having our County Attorney reach out formally and get a copy of the formal opinion because that seems to be something that is causing some of the confusion. Barbara stated that she participated in a television seminar that was broadcast to all of the Cooperative Extension offices several years ago that was sponsored by the Comptroller's Office and one of the people there, that was her mantra for the day; repeating that the purchase of commodities, electricity and natural gas is something that has to be bid.

Bill stated that the goal for this meeting today was to make sure that everybody that is involved in the decision making process had a better understanding of MEGA and understood the fluctuation and the fixed prices. A couple of the Supervisors have suggested that he simply have the County Attorney get the Comptroller's Office to reaffirm their position with respect to bidding to set some of this aside. If that will help settle or put minds at ease, he has no problem doing that.

Bill asked if we take the variable rate, then subsequently we can make a discussion to get into the fixed rate and it is open when we can do that. Barbara stated yes. Bill clarified that the issue we have is when you take the fixed rate it is for a period and you have to complete the period.

The Committee discussed sending Dan Fish to the MEGA program at the NYSAC Conference.

As there was no further business the meeting ended.