

AT A BUDGET MEETING OF THE ROCKBRIDGE COUNTY BOARD OF SUPERVISORS
HELD IN THE ROCKBRIDGE COUNTY ADMINISTRATIVE OFFICE BUILDING
AT 150 SOUTH MAIN STREET, LEXINGTON, VIRGINIA
ON MONDAY, APRIL 4, 2018 AT 5:30 P.M.

BOARD MEMBERS PRESENT: DAVID W. HINTY, JR. (CHAIRMAN)
 JOHN M. HIGGINS (VICE-CHAIRMAN)
 RONNIE R. CAMPBELL
 DANIEL E. LYONS
 A.J. "JAY" LEWIS, II.

COUNTY ADMINISTRATOR
AND CLERK TO THE BOARD: SPENCER H. SUTER

COUNTY ATTORNEY: VICKIE L. HUFFMAN

FISCAL SERVICES
DIRECTOR: STEVEN BOLSTER

CALLED TO ORDER:

Chairman Hinty called the meeting to order at 5:30 p.m.

Budget Update:

Mr. Bolster presented the draft budget to the Board and noted changes which had occurred since the last budget update on March 26. He noted that the budget as amended and presented represented a planned expenditure over anticipated revenue gap of \$260,448, which is just under one penny on the tax rate.

Supervisor Lyons suggested level-funding the school division with the understanding that if state revenues do not provide enough additional funding to cover their request, the County could appropriate from unassigned reserves the additional amount.

Supervisors Higgins and Campbell agreed with Supervisor Lyons.

After discussion, Chairman Hinty asked each Board member if they had any further comments. There were none.

Health Insurance Update:

Mr. Suter then provided the Board with an update on health insurance options for FY 2019. He opened with a review of actions leading up to the meeting, which included:

- Employee Health Benefits survey. The working group of covered employees worked with One Digital to develop a survey which was delivered to all covered employees late last year. A large number of covered employees responded to the survey, which was then shared with the Personnel Committee for consideration.
 - o Result: One Digital used the results to help design a Request for Proposals (RFP) for FY 2019 health benefits plans.
- Issuance of an RFP to the private market.
 - o Result: Potential responders opted not to submit proposals, noting that in this particular year, they could not be competitive with our current provider.
- Receipt of the FY 2019 quote from the County's current plan holder, The Local Choice.
 - o Result: Flat rate for next fiscal year (no increase).
- Request for quote from Anthem for combining the County and School Division plans.
 - o Result: Higher estimated costs for both entities (not a good option).
- Presentation by One Digital's Jim Gordon at the March 15 joint meeting of the Board of Supervisors and School Board
 - o Result: This was informational. The Board authorized a more detailed discussion at its regularly-scheduled March 26 work session.
- Presentation by One Digital during a March 26 work session with the Board.
 - o Result - One Digital recommends shifting the base health benefit plan from the current 500 dollar deductible plan (Key Advantage 500) to a 1000 dollar deductible plan (Key Advantage 1000), with an estimated annual savings to the County of \$65,000.

Mr. Suter then reviewed recommended plan options, including a move to the 1000 deductible plan as a base and an option for a high deductible health plan (HDHP). On a spreadsheet, he showed how the \$65,000 savings could be used to reduce premium costs for employees wishing to cover dependents.

Mr Suter also recommended that the Board use some of the savings to contribute to the health savings account (HSA) of employees choosing to shift to a HDHP. He noted that there are pros and cons to a HDHP, with the pros being the lower premiums and ability to contribute to an HSA. He stressed that the cons included the fact that not all employees qualify for an HSA, including employees covered by Tricare (military) and Medicare. He also noted that a high deductible plan means just that - a high deductible, which could have a negative result should a covered employee have medical issues in a given year.

Supervisor Lyons expressed a desire to lower the HDHP premium cost (to the employee) as much as possible, noting that employees could choose how much to contribute to their HSA. He also suggested that in the future, the Board may need to look at employees having to contribute to their health insurance. Mr. Suter recommended putting at least some money into their HSA to get started on saving for medical costs.

With concurrence from the rest of the Board, Chairman Hinty requested that the Personnel Committee meet again to finalize a recommendation for the Board at its next regular meeting on April 9. He then recognized Supervisor of Accounts Julie Whitesell, who was in attendance, for her diligent efforts on this topic.

Mr. Suter then reminded the Board that the new 911 Center and radio system cutover was scheduled for the following Thursday, April 12.

Adjournment:

On a motion by Supervisor Lewis, seconded by Supervisor Higgins, the meeting was adjourned at 6:59 p.m. by unanimous roll call vote by the Board.

AYES: Lyons, Higgins, Campbell, Lewis, Hinty

NAYES: None

ABSENT: None

ABSTAIN: None