

**DRAFT**  
**Finance Committee**  
**Minutes**  
**August 1, 2012**

The DeKalb County Finance Committee met on Wednesday, August 1, 2012 @ 7:00 p.m., in the Administrative Building's Conference Room. Chairman Scott Newport called the meeting to order and let the records reflect the following members present were Larry Anderson, Charles Foster, Julia Fullerton, John Hulseberg, Paul Stoddard and Ruth Anne Tobias. John Gudmunson and Steve Reid were absent. Others present were Gary Hanson, Ray Bockman, Mark Todd, Jeff Engelhardt, Sarah Lief, Jim Scheffers, Lisa Sanderson, Misty Hahi-Sheikh and Joan Hanson.

**APPROVAL OF THE MINUTES**

Motion to approve the minutes was moved by Ms. Tobias, and seconded by Mr. Hulseberg, and it was carried unanimously to approve the minutes from June 6, 2012.

**APPROVAL OF THE AGENDA**

Moved by Mr. Anderson, seconded by Mr. Foster, and the motion was carried unanimously to approve the agenda.

**RESOLUTION R2010-40: DEPOSITORIES FOR THE COUNTY TREASURER**

Mark Todd, the County Treasurer, presented a resolution to the committee to suggest an approval of an updated list of banks and credit unions as depositories of public funds and institutions. Mr. Todd said that the additional bank on the list was First State Bank out of Shabbona and Waterman.

Chairman Newport said that there are about three banks on the list that have regulatory orders pending, should changes to those banks take place, would a new resolution be required?

Mr. Todd said it would all depend on what the action is. There is a company that oversees the banks and their conditions. If their report when conditions would change or orders are given by FDIC of some sort, he is notified of that change or order immediately. But those banks involved regarding those orders, we only have a collector's account relationship. So they are only taking property tax payments on behalf of our county. We are looking at some other possible relationships, but we are just in the investigative stage right now.

**It was moved by Mr. Anderson, seconded by Mr. Stoddard, and it was carried unanimously to forward to the full board for approval.**

### **2013 HEALTH INSURANCE PLAN & RATE FORMULAS**

The mission for tonight is to identify how much money does the County want to contribute to the employees' health savings account, said Mr. Hanson. He does not have renewal numbers at this point. He has used the general 20% for renewal percentage increase, but it could just as well be 15% or 25% or 30%, he had to get some number on the page because it would have been hard to look at this. The other point is that a lot of display is for non-union employees; how this would affect union employees would have to go through a negotiation process.

In the handouts Mr. Hanson directed the committee to look at the 4<sup>th</sup> page, where the first column shows the current PPO plan for 2012. The other two columns is what we will be looking at for next year, he said, but we would raise the deductible from \$500 to \$750 for single coverage and from \$1,000 to \$1,500 for family coverage. The last column is the High Deductible plan (HSA) and half way down there is a row that states the out of pocket maximum number. The single coverage is \$3,750 and family coverage is \$7,500 for the HSA. Mr. Hanson pointed out a correction under the first column for RX Co-pays /Brand Non-formulary that reads \$50. It should read \$55.00.

Sheet C shows would move the split between the employee and the employer to a 25%75% split. The current split is 18%/82%, he said. The unions have moved the 25%75% split over the last few years. Most employees are under the straight split. What he displayed on this page are the 2012 numbers.

Mr. Hanson said that Sheet B is an example if estimated premiums raised by 20% general increase. Then by raising the deductible from \$500 to \$750.00 the County expect to save 3.6% on that premium. The next thing that happens is by offering two options (the regular PPO plan and the High Deductible Plan) that will negatively impact the PPO plan that plan will actually get a 4% increase. The High Deductible Plan they expect that premium to be reduced by 18% by going with that plan.

All of these pages then roll into Sheet A, Column C – for Single Coverage. There is a \$2500 deductible and the premium would be \$2,265, so the total out of pocket cost is \$6,000. If you compare that to Column B, the regular PPO plan, their total should be \$4,900. So they have more exposure under the High Deductible, but the ability to save more money. If you want to bring that number down below the PPO plan, you need to contribute 100% of your premium savings, \$1224.

Mr. Stoddard said that he would like the savings that the County realizes to be used for the 1<sup>st</sup> year, 2<sup>nd</sup> year and 3<sup>rd</sup>.

Mr. Hanson said that he did not think that we could do that because in the Health Savings Account you can't discriminate, everyone needs to be treated the same.

Chairman Newport said that each health provider will offer a repayment plan so much per month over so many months which over the course of that year and the next year Health Savings contributions from employer or their own could go towards meeting those monthly obligations. That is one way that circumstance can be dealt with in a way so that it doesn't create a financial havoc on an individual family.

Mr. Stoddard said that he felt that it would appear more appealing to everyone that a certain percentage of savings would be applied to buffer the costs and that in time it will decrease, or phase it out. After the person reaches \$3500 then it goes to a deductible of 90/10 Plan.

**After a brief discussion Mr. Stoddard moved to transfer 100 percent of the county's savings into the health savings account for individual employees in the first year of the plan, 95 percent the second year, and then 90 percent in the third year, with the County re-evaluating the phase out for the future. Also included in the motion was to move the employer/employee premium shares to a 25%/75% split. This motion was seconded by Ms. Fullerton and it was carried unanimously by the committee.**

## **DISCUSSION ON THE ILLINOIS POLICY INSTITUTE'S TRANSPARENCY REPORT**

Chairman Newport said that the last item that is on the agenda is a request that he made based on a report produced by the Illinois Policy Institute's evaluation of the transparency of county governments. DeKalb County received a grade of D- by their standards. While that is a passing grade, and only 7 out of 27 graded Illinois counties passed, he feels that the County did well in some areas and not so well in others.

Mr. Bockman said that he read the report and saw their recommendations. If we are going to start to entertaining suggestions from self-appointed external groups, he cautions the county board to be careful, because the next group that sends an unsolicited report to the local

newspaper and giving you a report card and telling us that we don't measure up to their standards, are we going to bring them here too. How many more groups are out there?

After a brief discussion the committee said that salaries will be on the website soon because of a new state statute that will require counties to list the salaries and benefits of individuals making more than \$75,000. The committee felt that the county offices were responding well to FOIA requests also. They also felt that economic development interest statements could be on the website along with lobbying agencies to which the county belongs to but also those agencies that lobby the county.

Mr. Hanson, Deputy County Administrator, said that all of the information already is publicly available, just not in the form or manner preferred by the policy institute.

DeKalb County Webmaster Lisa Sanderson said that on [www.sunshinereview.org](http://www.sunshinereview.org) stated that they gave our county a "B" in transparency. She also mentioned putting a Transparency page on the website.

### **ADJOURNMENT**

It was moved by Ms. Tobias, seconded by Mr. Anderson to adjourn. Motion carried unanimously.

Respectfully submitted,

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Scott Newport, Chairman

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Mary C. Supple, Secretary