MINUTES OF THE SPECIAL MEETING
OF THE
COMFORT LAKE – FOREST LAKE
WATERSHED DISTRICT
Wednesday, March 21, 2018

1. Call to Order

President Anderson called the March 21, 2018 special board meeting to order at 4:03 p.m. in the office of the Comfort Lake-Forest Lake Watershed District, 44 Lake Street South, Suite A, Forest Lake.

Present: President Jackie Anderson, Vice President Jon Spence, Secretary Wayne Moe, Treasurer Steve Schmaltz

Absent: Assistant Treasurer Jackie McNamara

Others: Mike Kinney, Emily Heinz (via teleconference), Jessica Lindemyer, Mike Sorensen, Erin Edison (CLFLWD staff)

2. District Staff Benefits Policy Clarification

Administrator Kinney explained that the District’s personnel policy manual does not specify a policy for providing health insurance coverage for employees’ spouses and/or families. It appeared to be an oversight during the long policy drafting process. He had reached out to several other organizations to compare to their policies. It was clarified that employee benefits would be calculated as a percentage of the employee’s salary, as opposed to a percentage of total cost to the District. The District’s offered benefits to employees is currently at an average of 35% of salary.

Mr. Kinney noted that he communicated with a marketplace insurance service provider called Gravie in order to assess potential options for offering benefits to employee family members. Under a plan from Gravie, the District would assign a specific dollar amount to each employee for total benefits, and the employees would then take that amount and pick an a la carte insurance plan that works for them.

President Anderson expressed that the Gravie method is very interesting in how customizable it is. The District, as a small employer, does not have many different options to offer under the traditional insurance model. She expressed that the current health insurance plan is very nice, but does it appropriately fit all of the District’s employees who are generally young and may not use much health insurance. If they aren’t using it, maybe it would be better to assign a certain dollar amount and let employees go and find a customized plan that works for them. It was clarified that Gravie would provide customer support to the individual employees to help find a plan that works for them.
Manager Schmaltz noted that the District is currently paying for 95% of medical insurance, and the overall percentage of benefits is in the desired range of about 35% of employee salary. There was discussion about other organizations’ plans. Some provide less benefit to employees who are on the family plan compared to employees who are on a single plan. If using an open marketplace insurance provider, the District would be able to provide the same amount of benefit to each employee and let them decide how they want to use it. It was clarified that the District would pay the insurance provider directly, rather than giving the amount to the employee to then pay to the insurance provider.

Mr. Kinney explained that there are two choices for paying for the Gravie option: either post-tax or pre-tax. It was clarified that the District is currently in its open enrollment period for its current insurance provider. Though, the District could choose to pursue a different provider at any time; no annual contract is signed with the current provider.

The Board asked staff for their input on the current plan and potential change. Mr. Sorensen indicated that he is satisfied with the current plan and would attempt to replicate it as closely as possible if a switch to the open marketplace plan were to occur. Staff agreed that the change to an open marketplace provider is appealing so long as customer support was ensured.

It was noted that the insurance premium under the current plan will go up 16% upon renewal this year. This increase seems to be consistent with other similar organizations. Mr. Kinney noted that, under the current plan, the broker fees are included in the amounts paid to the insurance provider. Under a plan through Gravie, the District would pay $100/mo. ($1,200/yr.) for the assistance service provided by Gravie to employees, which would cover all four employees being insured. Mr. Kinney explained that, even though there are more options through Gravie, none of the plans seem to be quite as nice as the current plan. Under the current plan, the maximum out of pocket is equal to the deductible of $2,000. This means then that there is no further out-of-pocket expenses. Most of the plans through Gravie would have a 15-30% co-insurance after the deductible, with varying max out-of-pockets.

There was consensus to keep the current plan in place for the time being and do further research on the Gravie plan in order to: confirm that Gravie offers guidance to employees, understand how many plans are available for employees to choose from, and to compare the specifics of these different plans. President Anderson suggested that someone from Gravie come to the District office to give employees an informational presentation.

There was agreement that the Board would re-visit this benefits policy annually in order to ensure it continues to be appropriate given changes in the marketplace.

There was discussion about the District’s current method of offering employees an annual $500 Health Savings Account (HSA) contribution in place of having a dental plan. Mr. Kinney found that most dental plans would cost the District at least $500. Using the HSA contribution instead allows employees to keep any unused dollars from the dental contribution, as opposed to all of it going toward premiums.
It was reiterated that staff would get in touch with Gravie in order to understand the various plans available through the open marketplace.

3. Adjourn

   a) Next regular board meeting – March 22, 2018

      Manager Spence moved to adjourn the meeting at 4:57 p.m. Seconded by Manager Moe. Upon vote, the motion carried 4-0.

Wayne S. Moe, Secretary ________________________________