

**Branch District Library
Finance Committee Minutes
October 14, 2014
2:30 pm
3rd Floor Meeting Room at Coldwater Branch**

Recommendations Synopsis:

1. Recommend adjusting 2014 budget penal fine revenue line item to \$300,000 up from the \$156,000 that was originally budgeted. This recommendation came from the accountant.
2. Recommend the removal of the \$2,000 HSA line item in the 2015 budget proposal as it will not be allowed with the new health insurance plan.
3. Recommending Plan A for health insurance for 2015 – based on current staff levels cost is \$47,193.36 (2014 was \$42,493.44 plus \$2,000 HSA fund); this plan will be thru Blue Cross Blue Shield of Michigan, Agent: David Aviza; SB PPO Gold \$500 – Simple Blue Plan with \$500 deductible for individual; \$1000 deductible for family, 20% Co-Insurance, \$3500 Out of Pocket; \$20 Office Visit; \$40 Specialist, \$60 Urgent; \$150 ER, Prescriptions \$15/\$50/50%/20%/25%, Blue Dental PPO SG 80/60/50 (50/50/50) \$800 Annual Max, Blue Vision SG 24-24-24 \$5/\$10
4. Recommend allowing changes to the Branches Capital Fund expenditure proposals thru July, as funds are transferred to general fund in August.
5. Recommending implementation of new pay scale for Branch Managers (\$12.40 to \$15.89).

Minutes:

Erica Ewers called Finance Committee Meeting to order at 2:30 pm with remaining committee members Dan Gordon, and Bonnie Frick present as well as Director Evette Atkin, John Rucker, and Jeanne Berg.

The following documents were distributed to all present:

1. Agenda
2. BDL Finance Committee Meeting Health Care & Penal Fine Breakdown
3. Blue Cross Blue Shield Rate Plans A, B, C
4. September Financial Statements

Evette began by going over the recommended change from the accountant to correct the 2014 budget to reflect the change in penal fine revenues. The current budget showed an estimate of \$156,000 in penal fine income whereas the actual penal fine income thru September of this year is at \$245,172.59 and we still have 3 months to go. Thus Evette proposed a change to \$305,000 due to projecting a monthly average of \$25,417 for the rest of the year. This adjustment in income will not affect any of the expense line items but will only help the bottom line and show none taken from reserves.

The committee recommended changing penal fine revenue to \$300,000 due to the current downward trend of the funds coming in.

Evette presented the Blue Cross Blue Shield Rates for 2015 with option A, B, and C. All 3 quotes came from Agent David Aviza. For background the current insurance costs are \$42,493.44 for the year with the separate HSA account containing \$2,000 for a total associated expense of \$44,493.44. The current plan has a \$1250 deductible for individuals and a \$2500 deductible for families.

Option A will cost the library \$47,193.36 for the year based on current staff. The HSA account is not an option with any of the new plans. Plan A allows for: SB PPO Gold \$500 – Simple Blue Plan with \$500 deductible for individual; \$1000 deductible for family, 20% Co-Insurance, \$3500 Out of Pocket; \$20

Office Visit; \$40 Specialist, \$60 Urgent; \$150 ER, Prescriptions \$15/\$50/50%/20%/25%, Blue Dental PPO SG 80/60/50 (50/50/50) \$800 Annual Max, Blue Vision SG 24-24-24 \$5/\$10.

Option B is exactly the same as Plan A other than it has a \$1000 deductible for individuals and \$2000 for family. The cost of this plan is \$45,098.76.

Option C is CB PPO Platinum \$500 – Community Blue Plan with \$500 deductible for individual; \$1000 deductible for family, 20% Co-Insurance, \$1500 Out of Pocket; \$20 Office Visit; \$20 Specialist, \$60 Urgent; \$150 ER, Prescriptions \$10/\$40/\$80, Blue Dental PPO SG 80/60/50 (50/50/50) \$800 Annual Max, Blue Vision SG 24-24-24 \$5/\$10. The cost of this plan for the year would be \$54,070.08.

The committee is recommending the removal of the HSA line item of \$2000 from the 2015 budget as it is no longer applicable with the new insurance plans. The committee is also recommending Plan A of the insurance options.

Erica then questioned the 2015 Capital Funds for the Branches. The past practice has been that once the capital plans were submitted by the branches, changes could not be made to these plans and any funds that were not used were returned to the general fund. This year Branch Managers were asked to submit their proposals not knowing what the budget looked like. Due to all the changes made to revenue and expenses due to the associated millage, it is recommended we allow the Branch Managers to make adjustments to their plans no later than the July meeting. This way funds can be transferred to the general fund in August as they have been in the past.

Erica then brought up the Branch Managers pay scale for clarification on what we were doing with the board change to allow for the Branch Manager Pay Scale to go from 11.77 –14.85 up to 12.40-15.89. It was also asked which pay scale the 2015 budget was prepared using. Evette indicated she had used the current pay rate that each employee was getting. The committee recommended going with the new pay scale as proposed by the board of \$12.40- \$15.89. Evette was then asked to recalculate the budget using these new figures.

Erica briefly updated the committee on Algansee Branch.

Meeting adjourned at 3:43 pm.

Minutes prepared by:
Erica Ewers

BDL Finance Committee Meeting 10-14-2014

Employee Healthcare Costs					
Employee Name	Current Monthly Cost	Plan A	Plan B	Plan C	
Atkin, Evette #1250 Deel. <i>current</i>	\$590.19	\$443.80	\$424.15	\$508.82	
Berg, Jeanne	\$590.19	\$1,062.32	\$1,014.71	\$1,218.44	
Cunningham, Sandra	\$590.19	\$1,062.32	\$1,014.71	\$1,218.44	
Rucker, John #2500 Deel. <i>current</i>	\$1,770.55	\$1,364.34	\$1,304.66	\$1,560.14	
TOTAL MONTHLY	\$3,541.12	\$3,932.78	\$3,758.23	\$4,505.84	
TOTAL ANNUAL	\$42,493.44	\$47,193.36	\$45,098.76	\$54,070.08	
Penal Fine Adjustment					
Budgeted for 2014	YTD (01-09)	Average Monthly	Proposed Adjusted Amount	Monthly Average	
\$156,000.00	\$245,172.59	\$27,241.40	\$305,000.00	\$25,417.00	
			<i>\$300,000 -- Bel recommendation</i>		
	Penal Fine Revenue				
January	\$24,531.32				
February	\$32,568.24				
March	\$27,036.41				
April	\$30,473.67				
May	\$33,331.41				
June	\$25,027.35				
July	\$28,561.80				
August	\$22,737.57				
September	\$20,904.32				



Blue Cross
Blue Shield
Blue Care Network
of Michigan

Nonprofit corporations and independent licensees
of the Blue Cross and Blue Shield Association

Blue Cross Blue Shield of Michigan Rate Quote

GWC Small Group Quote *Jeanne*

Group(Subgroup/Suffix(Class) Specific Data

Group/Suffix: 000000000 0000 Effective Date: 12/01/2014
Area: J Renewal Date: 12/01/2014

Client: Branch District Library
0070160250000
nsL
Coldwater MI 49036

County: Branch
Zip: 49036

Total Eligibles: 4
Customer Size: 4
Suffix/Class Size: 4
Number of FTE's: 4 *Plan (A)*

Agency:
Agent: David Aviza
Sponsorship: Association
Assoc: None

Group SIC: 9999 Nonclassifiable establishments

Quoted Benefits *Family - MOOD*

SB PPO Gold \$500 - Simply Blue, \$500 Deductible, 20% Co-Insurance, \$3,500 OOP Max, \$20 OV, \$40 Specialist, \$60 Urgent, \$150 ER, RX \$15/\$50/50%/20%/25%, Blue Dental PPO SG 80/60/50 (50/50/50) \$800 Annual Max, Blue Vision SG 24-24-24 \$5/\$10

Contract	Relationship	Age	Coverage Type	Med/RX	Dental	Vision	Member Total	Total Contract Premium
EVETTE M ATKIN	Employee	37	Regular	\$423.76	\$16.49	\$3.55	\$443.80	
Contract Totals				\$423.76	\$16.49	\$3.55		\$443.80
SANDRA CUNNINGHAM	Employee	67	Regular	\$1,026.87	\$26.86	\$8.59	\$1,062.32	
Contract Totals				\$1,026.87	\$26.86	\$8.59		\$1,062.32
JEANNE A BERG	Employee	64	Regular	\$1,026.87	\$26.86	\$8.59	\$1,062.32	
Contract Totals				\$1,026.87	\$26.86	\$8.59		\$1,062.32
JOHN C RUCKER	Employee	38	Regular	\$426.49	\$16.76	\$3.57	\$446.82	
CHARL RUCKER	Spouse	38	Regular	\$426.49	\$16.76	\$3.57	\$446.82	
JANET ELIZABETH RUCK	Dependent	6	Regular	\$217.35	\$18.00	\$0.00	\$235.35	
ERIC RUCKER	Dependent	8	Regular	\$217.35	\$18.00	\$0.00	\$235.35	
Contract Totals				\$1,287.68	\$69.52	\$7.14		\$1,364.34

Monthly Premium excluding estimated Taxes, Fees and Assessments \$3,698.85
 Estimated Monthly Taxes, Fees and Assessments \$233.93
 Total Monthly Premium Due including estimated Taxes, Fees and Assessments \$3,932.78

A Summary of Benefits and Coverage corresponding to the coverage being quoted has been provided to your agent by Blue Cross Blue Shield of Michigan. Your Agent is providing an SBC to you with this quote. A paper copy is available free of charge by contacting your agent that has provided the quote.

The Total Monthly Premium shown includes BCBSM's/BCN's estimates of applicable Federal and state taxes, fees and assessments. BCBSM's/BCN's estimates are subject to change. BCBSM/BCN will not reconcile or settle any amounts collected with actual amounts owed for such Federal and state taxes, fees and assessments.

Please submit quote with enrollment documentation.

BCBSM reserves the right to adjust rates if any of the assumptions or calculations used in the quoting process are



Blue Cross Blue Shield of Michigan Rate Quote

Nonprofit corporations and independent licensees
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incorrect. Final rates will be determined by BCBSM underwriting based on actual group enrollment and participation.

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Blue Cross Blue Shield of Michigan Rate Quote

GWC Small Group Quote

Jeanie

Nonprofit corporations and independent licensees of the Blue Cross and Blue Shield Association

Group(Subgroup/Suffix(Class) Specific Data

Group/Suffix: 000000000 0000

Effective Date: 12/01/2014

Area: J

Renewal Date: 12/01/2014

Client: Branch District Library
0070160250000

nsL
Coldwater MI 49036

County: Branch
Zip: 49036

Total Eligibles: 4
Customer Size: 4
Suffix/Class Size: 4
Number of FTE's: 4

Plan B

Agency:
Agent: David Aviza

Sponsorship: Association

Assoc: None

Group SIC: 9999 Nonclassifiable establishments

SB

Quoted Benefits

Family \$1000

SB PPO Gold \$1000 - Simply Blue, \$1,000 Deductible, 20% Co-Insurance, \$3,500 OOP Max, \$20 OV, \$40 Specialist, \$60 Urgent, \$150 ER, RX \$15/\$50/50%/20%/25%, Blue Dental PPO SG 80/60/50 (50/50/50) \$800 Annual Max, Blue Vision SG 24-24-24 \$5/\$10

Contract	Relationship	Age	Coverage Type	Med/RX	Dental	Vision	Member Total	Total Contract Premium
EVETTE MATKIN	Employee	37	Regular	\$404.11	\$16.49	\$3.55	\$424.15	
Contract Totals				\$404.11	\$16.49	\$3.55		\$424.15
SANDRA CUNNINGHAM	Employee	67	Regular	\$979.26	\$26.86	\$8.59	\$1,014.71	
Contract Totals				\$979.26	\$26.86	\$8.59		\$1,014.71
JEANNE A BERG	Employee	64	Regular	\$979.26	\$26.86	\$8.59	\$1,014.71	
Contract Totals				\$979.26	\$26.86	\$8.59		\$1,014.71
JOHN C RUCKER	Employee	38	Regular	\$406.72	\$16.76	\$3.57	\$427.05	
CHARL RUCKER	Spouse	38	Regular	\$406.72	\$16.76	\$3.57	\$427.05	
JANET ELIZABETH RUCK	Dependent	6	Regular	\$207.28	\$18.00	\$0.00	\$225.28	
ERIC RUCKER	Dependent	8	Regular	\$207.28	\$18.00	\$0.00	\$225.28	
Contract Totals				\$1,228.00	\$69.52	\$7.14		\$1,304.66

Monthly Premium excluding estimated Taxes, Fees and Assessments	\$3,534.78
Estimated Monthly Taxes, Fees and Assessments	\$223.45
Total Monthly Premium Due including estimated Taxes, Fees and Assessments	\$3,758.23

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Blue Cross Blue Shield of Michigan Rate Quote

GWC Small Group Quote **JEANNIE**

Group(Subgroup/Suffix(Class) Specific Data

Group/Suffix: 000000000 0000 Effective Date: 12/01/2014

Area: J Renewal Date: 12/01/2014

Client: Branch District Library
0070160250000

nsL
Coldwater MI 49036

County: Branch
Zip: 49036

Total Eligibles: 4
Customer Size: 4
Suffix/Class Size: 4
Number of FTE's: 4

Plan C

Agency:
Agent: David Aviza
Sponsorship: Association
Assoc: None

Group SIC: 9999 Nonclassifiable establishments

Quoted Benefits

CB PPO Platinum \$500 - Community Blue, \$500 Deductible, 20% Co-Insurance, \$1,500 OOP Max, \$20 OV, \$20 Specialist, \$60 Urgent, \$150 ER, RX \$10/\$40/\$80, Blue Dental PPO SG 80/60/50 (50/50/50) \$800 Annual Max, Blue Vision SG 24-24-24 \$5/\$10

Contract	Relationship	Age	Coverage Type	Med/RX	Dental	Vision	Member Total	Total Contract Premium
EVETTE M ATKIN	Employee	37	Regular	\$488.18	\$16.49	\$3.55	\$508.22	
Contract Totals				\$488.18	\$16.49	\$3.55		\$508.22
SANDRA CUNNINGHAM	Employee	67	Regular	\$1,182.99	\$26.86	\$8.59	\$1,218.44	
Contract Totals				\$1,182.99	\$26.86	\$8.59		\$1,218.44
JEANNE A BERG	Employee	64	Regular	\$1,182.99	\$26.86	\$8.59	\$1,218.44	
Contract Totals				\$1,182.99	\$26.86	\$8.59		\$1,218.44
JOHN C RUCKER	Employee	38	Regular	\$491.34	\$16.76	\$3.57	\$511.67	
CHARL RUCKER	Spouse	38	Regular	\$491.34	\$16.76	\$3.57	\$511.67	
JANET ELIZABETH RUCK	Dependent	6	Regular	\$250.40	\$18.00	\$0.00	\$268.40	
ERIC RUCKER	Dependent	8	Regular	\$250.40	\$18.00	\$0.00	\$268.40	
Contract Totals				\$1,483.48	\$69.52	\$7.14		\$1,560.14

Monthly Premium excluding estimated Taxes, Fees and Assessments \$4,236.94
 Estimated Monthly Taxes, Fees and Assessments \$268.30
 Total Monthly Premium Due including estimated Taxes, Fees and Assessments \$4,505.24

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