

RECORD OF PROCEEDINGS

Etna Township Trustees Regular Meeting

DAYTON LEGAL BLANK, INC., FORM NO. 10148

November 21,

2015

Held

20

The Etna Township Board of Trustees met on Saturday, November 21, 2015 in the Etna Township Administration Building. The meeting was called to order at 9:00 a.m. by President Carlisle. Jeff Johnson led the invocation and Randy Foor led The Pledge of Allegiance. The roll call showed Trustees Jeff Johnson, John Carlisle, Randy Foor, and Fiscal Officer Walter Rogers present.

Trustee Carlisle moved to adopt the agenda as presented. The motion was seconded by Trustee Johnson and passed by unanimous affirmative vote.

Trustee Carlisle moved to adopt the November 4, 2015 special meeting minutes as presented. The motion was seconded by Trustee Johnson and passed by unanimous affirmative vote.

Public Comments

Delores Trivett of 10371 Taylor Road discussed the recent election regarding the comments made by an individual running for Trustee about the current Board of Trustees. She does not feel the Trustees are dishonest and wanted it on the record.

Old Business

Trustee Carlisle opened the public hearing for the application submitted by the Zoning Commission for text amendment to the Zoning Resolution to Article 4 - Non-Conformities.

Trustee Carlisle discussed Section 400 and would like language added regarding the use ending or expiring. Rob Platte referenced Section 405 regarding the use expiring. The Trustees would like language added in Section 400 regarding the use expiring. The twenty-four month time period in Section 405 comes from the Ohio Revised Code. In Section 406 under Item B add the words "original" before condition, to have it restored to its original condition. Rob Platte will work on the language for Section 406 regarding the condition to better clarify the indent. It would be determined by the Zoning Inspector if it is diligently pursued to be completed. The Zoning Commission was allowing for insurance claims and gave them up to two years.

Trustee Carlisle moved to close the public hearing. The motion was seconded by Trustee Johnson and passed by unanimous affirmative vote.

The decision on the Article 4 - Non-Conformities will be made at the first meeting in December.

New Business

State Capital Budget Request - Township Administrator Rob Platte provided an overview. The bridge will have six lanes going into a two lane road. Trustee Carlisle and Rob Platte have met with multiple entities regarding funding options. There is a need to get improvements made to State Route 310. The township is pursuing funding through capital projects. The submittal due date with MORPC is November 23, 2015 at 5:00 p.m. The township has received several support letters. Rob Platte is requesting the Trustees to authorize him to submit an application for funding. This is an eight million dollar project, for the two lane section of State Route 310 to increase it to five lanes. With all the other funding sources we are seeking, nothing is being guaranteed at this time, this would be a two million dollar application. Rob Platte is seeking permission to move forward with the application.

Trustee Foor moved (To permit Rob Platte to submit an application for funding to the State Capital Budget.) The motion was seconded by Trustee Johnson and passed by unanimous affirmative vote.

October 1, 2015

	Receipts	Expenditures
General Fund	\$7,168.04	\$30,567.60
MV License Tax	\$7,172.04	\$1,706.66
Gasoline Tax	\$9,204.06	\$9,338.37
Road & Bridge Fund	\$4,007.67	\$14,868.62
Cemetery	0.00	0.00
Special Assessment	0.00	\$282.19
Misc. Special Revenue	0.00	0.00
Misc. Debt Services	0.00	0.00
Misc. Capital Projects	0.00	0.00
Road Right-of-way Permit	<u>0.00</u>	<u>0.00</u>
Total	\$27,551.81	\$56,763.44

Funds Total October 31, 2015 is \$2,416,187.01

All the resolutions as presented are on file with the Fiscal Officer.

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Trustee Johnson moved to pay the bills as presented. The motion was seconded by Trustee Foor and passed by unanimous affirmative vote.

Announcement and Trustee Comments -

Len Fatica congratulated the Trustees, ProLogis, and everyone on Amazon coming to Etna Township. The Trustees feel this will be a great thing for the township.

Don Rector with Southwest Licking Water & Sewer District is looking forward to Amazon and the future for the district.

Trustee Carlisle moved to go into executive session at 9:33 a.m. per O.R.C. 121.22 (G) (1) to consider the appointment, employment, dismissal, discipline, promotion, demotion, or compensation of a public employee or official, or the investigation of charges or complaints against a public employee, official, licensee, or regulated individual. The motion was seconded by Trustee Johnson and passed by unanimous affirmative vote.

Trustee Foor moved to come out of executive session at 9:44 a.m. The motion was seconded by Trustee Johnson and passed by unanimous affirmative vote.

New Business (continued)

OPEC Health Care Consortium -

Frank Harmon, Ohio Health Insurance Agency, Inc.

Frank Harmon provided an overview of the OPEC program which has been around a long time on a fully insured basis. There were concerns with the Affordable Care Act Account coming about and how that would impact or change the environment and different programs. In 2013 a big program was started asking them what their concerns were. The best option was to partner with the Jefferson Health Plan, who now has over twenty thousand employees in Ohio covered; they have been operating since 1985; they have over a hundred million dollars in assets. The OPEC Cooperative is the largest member within the Jefferson Health Plan organization. We all come together and share in the risks and rewards as a group. Unfortunately claims were higher heading into the summer of 2015 than what was anticipated. They were in a deficit position and have addressed it with this renewal process trying to get out of the deficit position and move forward to 2016. Most members are getting benefits and cost structures that are much better than what's available on the market. Most of the Consortiums are built on a three year contract because you do not want members dumping a lot of claims in and then leaving. The program is still very sound and has the backing of the Jefferson Health Plan.

Trustee Carlisle inquired how the Jefferson Health Plan backs the OPEC. Frank Harmon explained that Jefferson Health Plan allows the OPEC access to their reserves in case there is a deficit position to make sure there is no off cycle assessments. It is a loan. At the end of 2015 they will probably be in the negative six or seven million dollars which was communicated in early October. Half of the 25% renewal will be used to get back to an even level and the other 12 1/2% is a cost adjustment for 2016. Jefferson has always said they partner with their members and they have sent out a letter stating they fully stand behind the OPEC. They do not have a financial agreement regarding how much credit they have.

Frank Harmon was prepared to come and talk in general about what they have done, where they are going, and what they are trying to build for these member entities to avoid some of the changes in the Affordable Care Act. They are trying to preserve the benefit levels that members are accustomed to.

Frank Harmon can go back to Jefferson to get answers to the questions. Trustee Carlisle would like to see a copy of the agreement and what level of access the OPEC has in regards to OPEC and Jefferson. The township is dealing with tax payer money. The agreement went into effect as they entered the program July 1st, 2014. They could enter from July 2014 through January 1st of 2015.

Trustee Carlisle asked about the commission for 2015 of just shy of three quarters of a million dollars in a year and who receives this commission. Frank Harmon said some is spread out between the agent and the broker, it is all lumped into a commission's category, and some are for OPEC services fees, administrative fees. The enrollment, certificate language, making the plan changes, a lot of this work was built into your insurance rate and is done in house now. The TPA is the claims processing if somebody has a network claim where we get the discount on the claims. The internal pool is what Jefferson has for the re-insurance and the stop loss policy.

All the resolutions as presented are on file with the Fiscal Officer.

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Frank Harmon is one of the board members along with a member from Jefferson Health. He will send the Trustees a complete list of board members. Two members from OPEC and three members are elected. Erin Patton and Patty Clingingberg are the OPEC members on the board. The structure was set from what Jefferson had used in the past and can only be changed by the full board. Jefferson provided the scope of the agreement. Trustee Carlisle feels the members should have the majority of the say on the board not the administrative people.

Frank Harmon explained that 12 1/2% will cover the reserves of the 25% rate increase. Some entities received a slight reduction and if they joined for the eighteen months they did not see any change. The larger claims are part of the increase. Frank Harmon feels if it was a 6% renewal they would have been heroes but because of larger claims they are now the bad buys. Trustee Carlisle disagrees and has had very good service from Megan and feels they have provided a good service to the township but when you receive a 25% increase that makes us pause. A 25% rate increase affects the township budgets.

Ray Warwick, F/O of Hamilton Township, of 5466 Grand Legacy Drive, Mainville, OH asked how many brokers sell the OPEC product across the state. There are different individual brokers that do not work for him. It is not generally open to everybody. There are two in Southern Ohio; Sheard Insurance out of Jackson and the other is Sunders out of Gallipolis. Out of the financials that end on August 2015 how much money did Ohio Insurance make and what line items apply. Frank Harmon did not know. Has the OPEC ever been audited? It was audited thru the Jefferson Health Plan and Frank Harmon will see if there is a copy of the audit performed by Jason Gilmore. Ray Warwick inquired on the advantage of members signing a three year contract with OPEC. Hamilton Township went to the private market and received quotes of 35 to 40% lower.

Frank Harmon thinks there are around 160 government entities that are members in the OPEC. Trustee Carlisle suggested them holding a meeting during the OTA conference in January. Frank Harmon stated that 95% of the entities are happy with the program, benefits, and cost structure.

Mark VanBuren is here with West Licking Fire District and is also a Trustee for Harrison Township. Harrison Township looked into this program but went with the other program. Their program did not go up 6 or 7% this year. Mark VanBuren asked about the underwriting aspect with these other groups coming into this program, the overall health of these groups. The underwriting was done by Burns Consulting. Frank Harmon stated they did say no to at least twenty or so. The ones that Frank Harmon knew had large claims they said no to and the other groups went to underwriting. Every group has a different rate structure based on different criteria. Frank Harmon will work on providing minutes from the Board meetings. Mark VanBuren wants notification of the meetings so they can attend.

Frank Harmon said the group in 2016 is looking into raising the specific deductible (Similar to what Etna and West Licking Fire did) and fund underneath, pharmacy cost savings, potential segmenting group sizing.

Dean Young, Trustee of Springfield Township, Summit County stated the members of OPEC would be placed in various groups for renewals, with three different levels. Brian Savage with Ohio Insurance Services was the representative for Springfield Township. Brian Savage stated that they were hoping that during the renewal they would have a floating program for the groups that were doing better would get a better rate. This increase was the same for everyone. Frank Harmon stated they are addressing the deficit and claims for 2016 and then in 2017 they would build in a reserve. The contract commitment is 36 months but the member leaving would have to pay for their share of the deficit. There was discussion on whether the member leaving would have to pay for the future reserve.

Trustee Carlisle discussed the administrative board members and wanted to know if they are paid by their companies and not by the co-operative.

Trustee Carlisle asked Megan Toitch questions regarding the spousal carve out program and asked how that would affect the township premium. The rate is not going to change but the coverage would change.

Brian Savage spoke regarding Frank Harmon's dedication and that Ohio Insurance is trying to provide the best opportunity for the smaller groups of people. It is their motivation to give a better product. Trustee Carlisle stated a lot of it is education. This increase affects the township budgets for 2016.

All the resolutions as presented are on file with the Fiscal Officer.

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November 21,

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Requested items for OPEC: The financial agreement with Jefferson and any agreements, loans and percentages of loans, request of the board, board meeting minutes or email to all members, list of board members, spreadsheets more specific to where it is being spent, meeting dates and times with locations, the audit information, monthly financial statements, details on how to be a board member, process, and by-laws/rules on how they operate.

Trustee Carlisle set November 30, 2015 at 6:30 for a special meeting on the Health Insurance Issue and budget.

Trustee Foor moved to adjourn at 11:02 a.m. The motion was seconded by Trustee Johnson and passed by unanimous affirmative vote.



John Carlisle, President



Walter Rogers, Fiscal Officer