

**County of Sagadahoc Commissioners**  
***Meeting Minutes***  
***December 9, 2014***

A regular meeting of the Sagadahoc County Commissioners was held at 3:00 p.m. on Tuesday, December 9, 2014 in the Commissioners' Meeting Room of the County Courthouse, 752 High Street, Bath, Maine 04530.

Present: Chair Max Dawson, Vice Chair Charles Crosby, III, Treasurer Jane Scease, County Administrator Pamela Hile, Sheriff Joel Merry, Chief Deputy Brett Strout, Communications Director Brodie Hinckley, EMA Director Eric Sawyer, Deputy EMA Director Jason Shedlock, Deputy to the Administrator Robin Dayton, RKO Auditors Kathy Tyson and Jodi Heal, Budget Advisory Committee Member David Hennessey, Insurance Specialist Malcom Ulmer.

Absent: Commissioner Carol Grose,

**Spirit of America Awards**

At 3:00 pm The Commissioners hosted the fifth annual County Spirit of America ceremony honoring outstanding volunteerism in Sagadahoc County, as presented by Sheriff Merry. Mr. Bruce Flaherty, President of the Maine Chapter for the Spirit of America Foundation organized this event. The Bowdoin Fire Department Ladies Auxiliary was honored for their many hours of volunteer assistance to the Bowdoin Fire Department to raise funds for needed equipment. Kathy Tome was honored for her outstanding work to raise funds to start and sustain support for the local food pantry in Bowdoinham. The Georgetown Volunteer Fire Department Auxiliary was honored for their exemplary help and assistance to the Georgetown Fire Department and other local organizations. The Phippsburg 200<sup>th</sup> Anniversary Celebration Committee was honored for their efforts to arrange numerous festive activities and events throughout the year. Gary Poulin was honored for his willingness to donate so much of his time and labor repairing town properties and for his expert craftsmanship to build a new cupola for the Richmond library. His wife, the late Marjorie Poulin was honored posthumously for her extensive service enabling the fruition of a new library in Richmond. Leslie Trundy was honored for her work as a Morse School guidance counselor and her volunteer activities to make the City of Bath a great place to live and work by helping Main Street Bath, the local scouts and the Bath Library. The West Bath School Parent Teacher Organization was honored for the extensive work they do to raise funds for student enrichment programs. The Bath Community Relations Department, the Town of Phippsburg and the Town of West Bath received Gold Distinction Awards. The Towns of Bowdoin, Bowdoinham, Richmond, and Woolwich each received a Silver Award of Distinction.

**Call to Order**

Chair Dawson called the meeting to order at 3:37 p.m. and established the presence of a quorum.

**Public Comments:** No public Comments were received.

December 9, 2014

## Presentations

### FY 2013-14 Audit – Kathy Tyson, RKO

The County Auditor, Kathy Tyson presented the audit findings for the FY 2013-14. Ms. Tyson described the contents of the each section of the audit and highlighted areas of importance. In the Letter of Communication to the Commissioner's, she pointed to a list of only 9 proposed journal entries. This is a strong indicator of accurate financial records. Ms. Tyson also discussed the Management Letter and stated that no material weaknesses were discovered in all of the audit testing. Prior deficiencies regarding bank reconciliations and verification of general ledger balances have improved significantly this past year. The Auditors made two additional recommendations: track pre-paid postage expenses separately, and review timecard policies for all departments. Overall, it was a very challenging year with a transition to new financial software and new staff. Ms. Tyson also presented the County's financial statement. Cash and investments are down slightly but mostly stable. All Departments came in under budget and the County's total unassigned fund balance is \$1,463,254 dollars. The auditor was pleased with the continued inclusion of the statistical section of 12 tables which provides 10 years of data. This year's audit was very thorough. The financial statement is 62 pages in length and meets the high level of government finance officers association reporting standards.

### Self-Funded Insurance Proposal – Malcolm Ulmer

Mr. Malcolm Ulmer provided an informational presentation on the concept of self-funded health plan with Maritain Health. He explained there are 2 categories of fixed costs; the cost to run the program and the cost of actual healthcare claims. Self-funded healthcare allows you to save money because these costs are managed by a third party administrator, in this case, Maritain Health. Maritain Health is not an insurance company. They do not make money like an insurance company. Their job is to process health claims according to an employer defined contract. They earn a fixed monthly cost regardless of the number claims generated by the employees. A self-funded healthcare plan will provide the same health care product the County currently has with MMEHT, such a health insurance card, a network of providers card, precertification, claim processing, a prescription card, etc. One advantage worth noting is that because Maritain Health is the provider, the network available to employees is nationwide. Malcolm also explained that self-funded healthcare programs are protected by individual stop loss insurance and aggregate stop loss insurance. In this presentation stop loss insurance is purchased on a specific basis at \$40,000 for each employee. If claims reach \$40,000 for an employee in one year, the stop loss insurance kicks in. This protects the employee. The County is also protected by aggregate insurance to protect the program as a whole.

Mr. Ulmer then compared the existing MMEHT POS C plan to what it would cost to operate the same scope of coverage using a self-funded plan. He indicated that the County could operate the same plan it has now at a lower cost. He looked at 2 things: expected cost based on last 3 years of claims processed, and what would be maximum cost if the County had 5 people with serious conditions.

Current projected 2015 costs with MMEHT are \$ 828,289.53. The Self-funded plan shows expected average cost for claims and prescriptions at \$ 479,501.26. This was determined using the average of all county claims from 2011 through the 3rd quarter of 2014. In the worst case scenario (5 employees with serious conditions) claims may reach as high as \$599,376.58. If claims reach that high, the aggregate stop loss insurance kicks in with an additional million dollars in coverage for the County. Estimated fixed costs are \$221,820.48 which includes the 3<sup>rd</sup> party administration costs, lease the provider network. Put this all together and this means your estimated minimum expected costs are \$701,321.74 and your maximum expected costs \$821,197.06. That is the key to self-funded health plans. Worst case scenario is that the County will not spend more than its 2015 MMEHT costs; however, it has the opportunity to spend \$120,000 less.

Mr. Ulmer's presentation shows for the year 2011 through September 30, 2014 actual amount the County paid in premiums and the actual amount of claims. The difference is the amount MMEHT made in profit or loss. During this time period the County paid \$813,758.24 more in premiums than was paid out in claims. He ended his presentation stating that Waldo County started using a self-funded plan in 2008 and their costs have not increased. In fact, in 2015 their plan will cost less than it did in 2008.

As requested by Vice Chair Crosby, Administrator Hile reported that she contacted Mr. Joel Allumbaugh of the Maine Heritage Foundation. Mr. Allumbaugh advised that a self-funded health plan with a smaller group requires a long term commitment. The County will also need to develop a strong wellness program as part of our culture. Administrator Hile added that we have a 60 day notice requirement with MMEHT. Realistically we could move forward sometime between February 1 and March 1, 2014. The next step is to specify the exact health care plan; i.e. POS C or PPO 500, in order to receive a formal quote.

Vice Chair Crosby indicated there was no major down side to the self-funded concept but wanted a guarantee that the stop loss will not become greater than what we can afford. There does not appear to be any reason against the self-funded health plan concept. Over time this will stabilize our budget. We currently have funds in the budget for MMEHT, and those funds would transfer into a restricted account for the self-funded plan.

### **Consent Agenda**

1. Approval of Minutes for October 14, 2014
2. Approval of Warrants
3. Departmental Reports (Written)
4. Upcoming Meeting(s):
  - a.) Regular Meeting at 5:00 p.m. on Tuesday, November 25, 2014 (ONLY IF NEEDED)
  - b.) Regular Meeting at 3:00 p.m. on Tuesday, December 9, 2014

Upon **motion** by Chair Dawson and second by Vice Chair Crosby, the **Consent Agenda was approved absent the financial reports.**

December 9, 2014

## Department Reports

### Sheriff's Department – Joel Merry

Sheriff Joel Merry provided the Department's monthly activity packet to the Commissioners. The Sheriff added 3 additional business items as shown immediately below under new business.

## Business Items

### 1. Mutual Aid Agreement – Sheriff Merry

Sheriff Merry presented a Mutual Aid Agreement in accordance with M.R.S.A. Title 30-A § 462 between Sagadahoc County and Knox County for approval by the Board. This is basic housekeeping measure.

Upon **motion** by Vice Chair Crosby and second by Chair Dawson, **the Board of those present unanimously approved the Mutual Aid Agreement with Knox County.**

### 2. The Burne Grant – Sheriff Merry

Sheriff Merry requested authorization to continue to receive state grant funds that are utilized for special law enforcement details.

Upon **motion** by Vice Chair Crosby and second by Chair Dawson, **the Board unanimously approved the continued participation in the Burne Grant Program.**

### 3. Acceptance of Vehicle Bids - Sheriff Merry

Sheriff Merry reported the Department had received a bid of \$65,100 for 3 new cruisers - two 2014 and one 2015 Dodge Chargers. The Department will trade in the current spare vehicle, the old Ford Crown Victoria, and the 2010 Dodge Charger with 130,000 miles on it.

Upon **motion** by Vice Chair Crosby and second by Chair Dawson, **the Board of those present unanimously approved the purchase of three new vehicles in the amount of \$ 65,100.**

### 4. Lieutenant's Salary – Sheriff Merry

Last month the Board voted to authorize Sheriff Merry to proceed with the hiring process for the vacant lieutenant's position. The Sheriff explained he had received several inquiries about salary which prompted him to look at the market value of the position. He

looked at rates in several counties, including Lincoln and Waldo, and requested authorization to fund the position up to \$29.50 per hour.

Upon **motion** by Vice Chair Crosby and second by Chair Dawson, **the Board of those present unanimously approved a new hourly rate for the Lieutenant position up to \$29.50 per hour.**

5. HRA Funding for FF-LEO Retirees – Administrator Hile

Administrator Hile reviewed the status of the meetings with the Communications and Sheriff’s union representatives, as required by their contracts, to discuss the proposed change from the POS-C health plan to the PPO-500 plan. Communications has agreed to the change; however, the Sheriff’s deputies have expressed some concern on the effect of the change for those individuals who are participating in a special retirement program for fire-fighters/law enforcement officers. This involves contributions that they make during their active employment that will result in the payment of up to 45% of their health insurance costs after retirement. Participation in the County’s health plan is one of the requirements; however, as our plan would include the HRA benefit if we switch to the PPO-500, a question arose as to the loss the HRA portion of the plan unless these individuals were allowed continued access to these funds. Although the impact on them is in no way catastrophic, it would still have some effect on their out-of-pocket costs.

One option is “grandfathering” these 5 employees only. Administrator Hile provided a chart calculating the maximum cost to the County to fund the HRA over the 33 year life of their participation and noted that not everyone will utilize their full HRA funds in any given year. The actual amount the County will need to contribute for those grandfathered will be based upon the use of the entire HRA pool.

The union will provide us with its decision concerning the change to PPO-500 once the Commissioners have made a determination concerning this matter.

Upon **motion** by Vice Chair Crosby, second by Chair Dawson **the Board of those present unanimously authorized grandfathering the 5 employees of the Sheriff Department personnel that are members of the FF-LEO supplemental health insurance program.**

6. Deeds Staffing – Administrator Hile

Administrator Hire reported that the current Deputy Deeds Registrar Lynn Moore will assume her position as the elected Registrar on January 1<sup>st</sup> which in turn will create the need to appoint a new Deputy. Ms. Moore has requested authorization to appoint Senior Deeds Clerk Cheryl Oliver to fill this position. The Commissioners expressed their desire to post the vacancy in-house prior to making a hiring decision.

Upon **motion to table** by Vice Chair Crosby and second by Chair Dawson, **the Board of those present unanimously tabled the hiring decision for one month to allow time to post the vacancy in – house.**

7. Credit Card Policy – Administrator Hire

Administrator Hile Enclosed draft policy regarding the use of County credit cards.

Upon **motion** by Chair Dawson and second by Vice Chair Crosby, **the Board of those present unanimously tabled this item for one month.**

8. New Blinds for Communications Center – Administrator Hile

Administrator Hile reported on the status of the appropriated \$4,500 in the FY 2014-15 budget for the replacement of window blinds in the Deeds Department. This project was completed below budget. The Maintenance Supervisor saved \$1,014 as a result of seeking additional proposals. Since that time, the Communications Director has expressed the need for new window blinds noting that some are broken, damaged or even missing. The County has received an estimate of \$968 to replace the communication center blinds.

Upon **motion** by Chair Dawson and second by Vice Chair Crosby, **the Board of those present unanimously authorized the use the remaining capital improvement funds for this purpose.**

9. Appoint MCCA and Risk Pool Representative and Proxy for 2015 - Administrator Hile

The MCCA by-laws require that Counties provide notice of their nominees to the Board of Directors at least two weeks before the annual meeting in January.

Upon **motion** by Chair Dawson and second by Vice Chair Crosby, **the Board of those present unanimously appointed Vice Chair Crosby to serve as the Sagadahoc County Representative to the MCCA and Risk Pool Boards of Directors and re-appointed Administrator Hile to serve as the alternate/proxy to each Board.**

10. Appointment of Members to the Board of Assessing Review - Administrator Hile

The term of Donald Russell on the Sagadahoc County Board of Assessing Review expires December 31, 2014. Mr. Russell has agreed to accept reappointment for a three year term commencing January 1, 2015.

Upon **motion** by Vice Chair Crosby and second by Chair Dawson, **the Board of those present unanimously re-appointed Donald Russell to serve on the County Board of Assessing Review for a three year term commencing January 1, 2015.**

11. Appointment of Members to the TBRJ Authority - Administrator Hile

The terms of Max Dawson, Peter Lapari, Pamela Hile (alternate), David Sinclair (alternate) and David Miller (alternate) as members of the Two Bridges Regional Jail Authority Board of Directors will expire on January 1, 2015.

Upon **motion** by Vice Chair Crosby and second by Chair Dawson, **the Board of those present unanimously re-appointed Max Dawson to serve on the TBRJ Authority Board of Directors for a three year term commencing January 1, 2015.**

Upon **motion** by Vice Chair Crosby and second by Chair Dawson, **the Board of those present unanimously re-appointed Peter Lapari to serve on the TBRJ Authority Board of Directors for a three year term commencing January 1, 2015.**

Upon **motion** by Vice Chair Crosby and second by Chair Dawson, **the Board of those present unanimously re-appointed Pamela Hile, David Sinclair, and David Miller to serve as alternates on the TBRJ Authority Board of Directors for a three year term commencing January 1, 2015.**

12. Website Preview - Robin Dayton

The brief preview of the new County website was provided to the Board for their consideration. Administrator Hile explained this project was completed at no cost to the County due to the in-kind services and the expertise of Lauren Haven from MCCA. Cutover to the new website is scheduled for mid-January. The new website was well received.

13. Request for Early Closing on December 24<sup>th</sup> – Administrator Hile

Upon **motion** by Chair Dawson and second by Vice Chair Crosby, **the Board of those present unanimously approved closing the County Offices at 2:00 p.m. December 24, 2015.**

14. County Administrator's Report - Available for review upon request.

15. Other –

At the Request of Chairman Dawson, Administrator Hile provided information about the sequence of events that occurred on December 3, 2014 in the Courthouse. During a Probate hearing, two brothers got into a loud shouting match that raised concerns of some staff. Administrator explained three SO deputies responded to the incident within 50 seconds. The total incident lasted about 2 minutes and no arrests were made. Communications Director Brodie Hinkley displayed the video feed from the courthouse of the incident. Law Enforcement response protocols for this type of event appeared to have been followed precisely.

**Commissioners Comments/Announcements**

There were no additional announcements to report.

**Adjournment**

Upon **motion** by Chair Dawson and second by Vice Chair Crosby, **the Board of those present agreed to adjourn at 5:48 p.m. by unanimous acclamation.**

Respectfully submitted,

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Robin M. Dayton

December 9, 2014