

Joint Administrative Services Board
December 17, 2018 Regular Meeting 10:00 am

At a regular meeting of the Joint Administrative Services Board held on Monday, December 17, 2018, at 10:00 am in the Meeting Room AB, Berryville Clarke County Government Center, 101 Chalmers Court, 2nd Floor, Berryville, Virginia.

Members Present: David Ash, Chuck Bishop, Sharon Keeler, Chip Schutte, David Weiss

Members Absent: None

Staff Present: Gay Allen, Tom Judge, Gary Lichliter, Donna Peake, Gordon Russell, Brianna Taylor

Others Present: None

1. Call to Order - Determination of Quorum

At 10:00 am, Chairman David Weiss called the meeting to order having determined that a quorum was present.

2. Approval of Minutes

Chip Schutte, seconded by David Ash, moved to approve the October 22, 2018 minutes as presented. The motion carried by the following voice vote:

David Ash	- Aye
Chuck Bishop	- Aye
Sharon Keeler	- Aye
Chip Schutte	- Aye
David Weiss	- Aye

3. GASB 75

The Actuarial Studies for post-retirement benefits are complete, which in our case is the ability for retirees to remain in the health insurance group. We have gone for years without having to post the liability associated with that to our balance sheet but with some recent changes, the auditors stated that these numbers needed posted. The study revealed a liability of \$373,683 for Government and \$1,100,463 for Schools. The study looked at all employees (current and retired) and estimated the entire length of their lives, if they retire at a normal time, and how long could they be in the health insurance group. The reports from the actuarial study are available on request. Local Choice has recently eliminated the option to assess the retirees the full cost of coverage.

4. Nationwide 457 Fixed Account

Nationwide is revising their fixed account option. The fixed account has a guaranteed minimum rate, which has been 3.5% and about 47% of our account balances with Nationwide are in the fixed account. Nationwide is dropping the 3.5% minimum interest rate and has given these options:

- Option 1. Declining guaranteed minimum interest rate, transfer capped at 20%, no fee.
- Option 2. Declining guaranteed minimum interest rate, transfer capped at 40%, no annual fee.
- Option 3. Existing fixed account balance continues at minimum 3.5%, but no new contributions, instead:
 - a. Contributions redirected to the fixed account to have guaranteed minimum of 0.5% in separate account; or
 - b. Contributions redirected to Target Date fund (current default).

Chuck Bishop clarified with Tom Judge that it was the board's responsibility to elect for the whole group between these three options.

The Board discussed what options that they thought would be best for the group and all agreed on option 3a. Chairman David Weiss then polled the audience for their opinion and attendees agreed with the board.

David Ash, seconded by Chuck Bishop, moved to approve the choice of option 3a. Option 3. Existing fixed account balance continues to have guaranteed minimum 3.5%, but no new contributions; a. Contributions redirected to the fixed account to have guaranteed minimum of 0.5% in separate account. The motion carried by the following voice vote:

David Ash	- Aye
Chuck Bishop	- Aye
Sharon Keeler	- Aye
Chip Schutte	- Aye
David Weiss	- Aye

5. FY18 Audit Update

Tom judge stated that they are still working on the bank reconciliation for the audit and that they hope to be finished in early January. Then the auditors will need three weeks to turn the report around. The audit report for '18 should be over to us in early February, which will give us final and audited numbers for the budget process.

6. ERP Update

Tom Judge stated that the ERP Go Live for Virginia Income Taxation is all set up and ready to use but will not be used until the beginning of the year. Gordon Russell explained that the transition into Go Live will occur at the beginning of the year.

Sharon Keeler and Gordon Russell stated that the last training went well and there were just a few issues that need to be handled.

Tom Judge stated that Government IT intends to upgrade Munis to 11.3 in mid-February.

7. Adjournment

At 10:43 am, Chairman David Weiss adjourned the meeting

8. Next Meeting

January 28, 2019

Note: The November meeting was cancelled due to an insufficient agenda.

Minutes Recorded and Transcribed by Brianna R. Taylor