

**AGENDA**

Joint Administrative Services Board

February 24, 2014 1:00 p.m.

Joint Government Center

1. **Call to Order.**
2. **Approval of Minutes. (January 27 Minutes Attached).**
3. **ERP Update.** Tyler has drafted a scope of work and contract terms and conditions for the SaaS option. Plante and Moran is reviewing these documents. In addition, Plante and Moran is developing a cost analysis of the hosting options. This last item may be available in draft form by the time of the meeting.
4. **JAS FY 15 Budget.** Please find two options attached. Both options reflect the reduction in health insurance. Software maintenance could be considered for reduction in both options. Option A includes the “catchup” salary increases. Option B excludes salary increases pending completion of Pay and Classification studies.
5. **FY 15 Health Insurance Renewal.** The actual renewal increase is 6.3%. The Board should consider approving the attached rates for the upcoming fiscal year, so they can be incorporated into the FY 15 budget.



**Chip Schutte, seconded by Sharon Keeler, moved to nominate and elect Michael Hobert as Chair of the Joint Administrative Services Board for calendar year 2014.**

With no others names advanced, Tom Judge closed the floor to nominations and called for the vote.

**The motion was approved by the following vote:**

David Ash	- Aye
J. Michael Hobert	- Aye
Sharon Keeler	- Aye
Michael Murphy	- Absent
Charles "Chip" Schutte	- Aye

Following the vote, Tom Judge turned the meeting over to Chairman Hobert.

Selection of Vice-Chairperson

Chairman Hobert called for a motion for nomination of Joint Administrative Services Board Vice Chair for 2014.

**David Ash, seconded by Sharon Keeler, moved to nominate and elect Chip Schutte as Vice Chair of the Joint Administrative Services Board for calendar year 2014.**

Being no further nominations, Chairman Hobert called for the vote.

**The motion carried by the following vote:**

David Ash	- Aye
J. Michael Hobert	- Aye
Sharon Keeler	- Aye
Michael Murphy	- Absent
Charles "Chip" Schutte	- Aye

Establishment of meeting calendar

Subject to verification of meeting room availability, **David Ash, seconded by Chip Schutte, moved to adopt the meeting calendar as presented. The motion carried as follows:**

David Ash	- Aye
J. Michael Hobert	- Aye
Sharon Keeler	- Aye
Michael Murphy	- Absent
Charles "Chip" Schutte	- Aye

Date	Time	Location	Topic(s)
02/24/14	1:00:00 PM	JGC	Health Ins, Budget, Technology
03/24/14	1:00:00 PM	JGC	Health Insurance, Technology
04/28/14	1:00:00 PM	JGC	Health Insurance, Technology
05/19/14	1:00:00 PM	JGC	Health Insurance, Audit, Technology
06/23/14	1:00:00 PM	JGC	Technology
07/28/14	1:00:00 PM	JGC	Technology
08/25/14	1:00:00 PM	JGC	Technology
09/29/14	1:00:00 PM	JGC	Technology
10/27/14	1:00:00 PM	JGC	Director Evaluation, Technology
11/24/14	1:00:00 PM	JGC	Technology
12/22/14	1:00:00 PM	JGC	Technology
01/26/15	1:00:00 PM	JGC	Organization, Budget, Technology

## 2. Approval of Minutes

Chip Schutte, seconded by Sharon Keeler, moved to approve the December 16, 2013 meeting minutes as presented. The motion carried as follows:

David Ash	- Aye
J. Michael Hobert	- Aye
Sharon Keeler	- Aye
Michael Murphy	- Absent
Charles "Chip" Schutte	- Aye

## 3. Joint Technology Plan

Joint Technology Plan  
Source: Joint Administrative Services

01/23/14

EVENT	2015	2016	2017	2018	2019	2020	2021	2022	2023	Notes
Telephone System	30,000						30,000			PBX replacement
Information Security	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	Disaster Recovery System
Energy Management System		100,000	100,000	100,000	100,000	100,000				Await head-end during Elen renovation; then extend
Building Security System		50,000	50,000	50,000	50,000					For extensions of current system
Fiber optic infrastructure	60,000		300,000							60k=school augmentation in town, 300k = Boyce w/o Erate
Network Switch Upgrades	80,000	80,000	80,000				80,000	80,000	80,000	replacement cycle six years
Shared Data Storage				35,000				35,000		
Video Conferencing						25,000				Need and cost not defined
<b>TOTAL</b>	<b>195,000</b>	<b>255,000</b>	<b>555,000</b>	<b>210,000</b>	<b>175,000</b>	<b>150,000</b>	<b>135,000</b>	<b>140,000</b>	<b>105,000</b>	

KEY:  
BOLD = School 100%  
Italic = Government 100%  
Normal = Split 50/50

Tom Judge reviewed the current plan. Highlights include:

- Energy Management System: Bobby Levi, Maintenance Director, was consulted about moving the project out to 2016.
- Building Security Systems:
  - o Consulted Sheriff Tony Roper, about extending implementation of building security systems [cameras], out to 2016.
  - o Chip Schutte could not speak to the School's position of on building security systems.
  - o Gordon Russell clarified that building security systems targeted cameras/video surveillance equipment.
  - o Door access systems have been discussed under this project but will most likely be worked in during renovations rather than through the separate technology budget.
  - o The Committee agreed to revise building security systems to make it clear that this item was for data systems, video and other sensors.
- Fiber Optic Infrastructure: 44% discount on Erate-eligible infrastructure going into schools.
- Network Switch Upgrade: Tom Judge will follow up with Ed Shewbridge to advise him that the \$80,000 for 2017 belongs to the Schools.
- Training: Chairman Hobert requested that training be added back to the plan.
- Tom Judge will revise the Joint Technology Plan and bring back to the Board in February.

**Chip Schutte, seconded by Sharon Keeler, moved to approve the Joint Technology Plan as presented subject to making the requested changes in the table. The motion carried as follows:**

David Ash	- Aye
J. Michael Hobert	- Aye
Sharon Keeler	- Aye
Michael Murphy	- Absent
Charles "Chip" Schutte	- Aye

#### 4. SaaS vs. Local Server

*The Tyler Proposal presented two options:*

- i) Software-as-a-Service whereby the software is "rented" and runs on Tyler Technology servers, and*
- ii) Traditional licensed software running on Clarke County servers.*

*It is necessary that the Board decide which option to pursue before commencing negotiations with Tyler Technologies. Please note the following:*

- a. See attached list of communities in Virginia using Tyler Munis, and their respective software delivery choices.*

- b. See attached graph from "IT Budgeting and Decision Making" showing lower cost profile for SaaS.
- c. See cost analysis from another, somewhat larger, community showing cost approximately equal.
- d. Tyler Technologies states that a choice for SaaS now can be converted to the traditional licensing option in the future, and vice-versa. The mechanism for doing so would be built into the contract.
- e. See list of pros and cons from Plante and Moran (forthcoming).
- f. Dennis Bagley of Plante and Moran will be available by conference call beginning at 1:30 pm to provide advice in making this decision.

Tom Judge briefed the Committee on the two options. Highlights of the Committee discussion include:

- Traditional License / In-house Hosting:
  - o Gordon Russell, IT Director, voiced his support for traditional licensing.
  - o The County has the infrastructure to host it in house; and while there will be a greater capital outlay at the beginning, it will be less expensive over time for SaaS will cost significantly more if hosted by Tyler.
  - o Over the last several months, Mr. Russell has become more clearly convinced that in-house hosting was the better solution.
  - o Implementation will require the same level of IT support for either option.
  - o Daily operations and management following implementation will require the same level of support.
- Conference call with Dennis Bagley, Plante Moran:
  - o County must thoroughly review services, service levels and associated cost.
  - o Comparative analysis is not specific and represents overall industry.
  - o Tyler began hosting approximately five years ago with its Munis software.
  - o Approximately 1 in 5 to 1 in 10 contracts are going with the hosted solution.
  - o Those going with the hosted solution tend to be smaller local governments and school districts that lack capacity on the IT side.
  - o Typically the cost between options equals at seven years.
  - o SaaS fees are typically much higher than the license fee.
  - o A comparative analysis of both options is recommended prior to making a decision.
  - o The Board could make recommendation using current information and make it contingent upon the ability to negotiate a price and service level with which the County was comfortable.

**Chip Schutte, seconded by David Ash, moved that the County was willing to go with software as a service but making it contingent upon meeting value requirements and being competitively priced, and competitive with the services provided, as traditional licensing software. The motion carried as follows:**

David Ash	- Aye
J. Michael Hobert	- Aye
Sharon Keeler	- Aye
Michael Murphy	- Absent
Charles "Chip" Schutte	- Aye

#### 5. Decision to Commence Negotiation with Tyler Munis

*Since this was last discussed we have visited City of Staunton, Virginia; have obtained references from several communities; and have established a contract with Plante & Moran to advise us during contract negotiation (see attached). It is requested that the board review this information, and vote to proceed to contract with Tyler Technologies for provision of an ERP system. This decision will need to be confirmed by the School Board and the Board of Supervisors but, if confirmed, it is recommended that it be the last such approval prior to actual contract and implementation since we will be investing substantial resources in the contract negotiation over the coming months, and time is getting short to meet the July 1 cutover of the General Ledger. Curt Steddum of Tyler Technologies will be on hand to answer any questions that might remain. Mr. Steddum will demonstrate the Software for the School Board and Board of Supervisors at a 4:30 meeting later this day.*

Tom Judge provided a brief review followed by a summary of responses from Tyler references.

**Chip Schutte, seconded by Sharon Keeler, moved to proceed to contract negotiations with Tyler Technologies. The motion carried as follows:**

David Ash	- Aye
J. Michael Hobert	- Aye
Sharon Keeler	- Aye
Michael Murphy	- Absent
Charles "Chip" Schutte	- Aye

Dennis Bagley provided the following suggestions for "next steps":

- Perform a comparative analysis.
- Review initial draft of statement of work provided by Tyler and schedule discussions with them to begin developing the statement of work.

Tom Judge advised that in February the Joint Administrative Services Board decision would be placed before the governing boards for action.

#### 6. Pay and Classification Studies

*The School Division and the Government are each engaged in Pay and Classification Studies. Because JAS operates under School Personnel Policies, it is recommended that it participate in the School Division's study.*

Tom Judge requested that the Joint Administrative Services office, which operates under the School's policies, be included in the School's pay and classification study.

Chairman Hobert asked if the work performed by the JAS office was more akin with employees of school districts or general government. Tom Judge responded that in surrounding jurisdictions a finance office would be found in each entity. Further, when he first started with the County, there were two finance offices doing essentially the same thing; so, Clarke County chose to combine the offices.

Chairman Hobert inquired about the fiscal impact. Tom Judge responded that the School's had 350 employees and the addition of his staff would only add 7 to that number, which would be a very marginal difference. Further, when the School's issued the RFP, Joint Administrative Services was included as a possibility. David Ash added that Joint Administrative Services had been included in the County's last study.

Chip Schutte, seconded by David Ash, moved to confirm that the Joint Administrative Services be treated as School employees for purposes of pay and classification study. The motion carried as follows:

- David Ash - Aye
- J. Michael Hobert - Aye
- Sharon Keeler - Aye
- Michael Murphy - Absent
- Charles "Chip" Schutte - Aye

7. JAS FY 15 Budget

Please find a proposal attached. This may be discussed, modified, and adopted for inclusion in the Board of Supervisors FY 15 Budget.

JAS FY 15 BUDGET PROPOSAL

	FY 12 ACTUAL	FY 13 ACTUAL	FY 14 ADOPTED	FY 15 REQUEST	1/21/2014 VARIANCE	NOTES
FUNC 12240 INDEPENDENT AUDITOR						
3120 PROFESSIONAL SERVICES	30,650	31,100	34,600	33,000	(1,600)	May decrease more if purchase CAFR Builder
FUNC 12510 DATA PROCESSING						
3100 PROFESSIONAL SERVICES	-	500	-	-	-	
3320 MAINTENANCE SERVICE CONTRACT	24,181	25,008	26,100	26,100	-	
5540 TRAVEL CONVENTION & EDUCATION	-	-	-	-	-	
6001 OFFICE SUPPLIES	-	-	-	-	-	
8207 EDP EQUIPMENT	-	-	-	-	-	
12510 DATA PROCESSING	24,181	25,608	26,100	26,100	-	
FUNC 12630 FINANCE & PURCHASING						
1100 SALARIES - REGULAR	343,960	364,389	367,598	382,016	14,418	2% plus catchup, plus day adjust
1300 SALARIES - PART TIME	-	-	-	-	-	
2100 FICA BENEFITS	25,555	27,455	28,123	29,224	1,101	
2210 VRSR BENEFITS	38,071	42,488	42,852	65,392	12,530	Rate increase
2300 HEALTH INSURANCE BENEFITS	26,677	23,752	24,261	27,068	2,807	Rate increase
2400 LIFE INSURANCE	963	4,336	4,374	5,043	669	Rate increase
2750 RETIREE HEALTH CARE CREDIT	-	4,045	4,080	4,608	428	Rate increase
2800 OTHER BENEFITS	160	3,400	-	-	-	
3000 PURCHASED SERVICES	-	-	-	-	-	
3320 MAINTENANCE SERVICE CONTRACTS	-	-	-	-	-	
3500 PRINTING AND BINDING	-	-	-	-	-	
3600 ADVERTISING	196	354	200	400	200	
4300 CENTRAL PURCHASING/STORE	(1,292)	(558)	-	-	-	
5210 POSTAL SERVICES	2,888	2,210	2,800	2,200	(600)	More EFT
5230 TELECOMMUNICATIONS	1,309	1,392	1,339	1,400	61	
5510 TRAVEL MILEAGE	620	458	700	700	-	Rate increase
5540 TRAVEL CONVENTION & EDUCATION	1,320	121	700	100	(600)	More Webinar
5810 DUES & MEMBERSHIPS	864	335	900	900	-	
6001 OFFICE SUPPLIES	2,209	1,581	3,000	2,000	(1,000)	Fewer forms, more electronic
6012 BOOKS AND SUBSCRIPTIONS	159	-	200	200	-	
6014 OTHER OPERATING SUPPLIES	-	-	-	-	-	
8201 MACHINERY AND EQUIPMENT	-	-	-	-	-	
12530 FINANCE & PURCHASING	444,249	475,688	481,137	511,151	30,014	
TOTAL	499,080	532,178	541,737	570,251	28,514	



Tom Judge reviewed his department budget including a request for a two percent increase that was given to the Schools in FY2014 and an additional two percent increase for FY2015.

Chairman Hobert commented that the issue of raises covered all employees on the government side and asked for a solution that deferred the question of raises.

By consensus, the Board deferred the matter to its February meeting.

## 8. Director Evaluation

*The Board may wish to go in to closed session to discuss the evaluation of the Director.*

David Ash advised that the Mr. Judge's evaluation was complete, all members had been given an opportunity to review and no objections had been raised.

**Chip Schutte, seconded by Sharon Keeler, moved to approve the Director's evaluation as provided with the request that Mike Murphy or David Ash review the evaluation with Tom Judge and make it a part of his personnel record. The motion carried as follows:**

David Ash	- Aye
J. Michael Hobert	- Aye
Sharon Keeler	- Aye
Michael Murphy	- Absent
Charles "Chip" Schutte	- Aye

## 9. Next Meeting

The next regularly scheduled meeting of the Joint Administrative Services Board is Monday, February 24, 2014 at 1:00 pm in Meeting Room AB at the Berryville Clarke County Government Center.

## Adjournment

At 2:43 pm, Chairman Hobert adjourned the meeting.

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Minutes Recorded and Transcribed by: Lora B. Walburn

JAS FY 15 BUDGET PROPOSAL

OPTION A

	FY 12	FY 13	FY 14	FY 15	2/20/2014	
	ACTUAL	ACTUAL	ADOPTED	REQUEST	VARIANCE	NOTES
FUNC 12240 INDEPENDENT AUDITOR						
3120 PROFESSIONAL SERVICES	30,650	31,100	34,500	33,000	(1,500)	May decrease more if purchase CAFR Builder
FUNC 12510 DATA PROCESSING						
3100 PROFESSIONAL SERVICES	-	500			-	
3320 MAINTENANCE SERVICE CONTRACT	24,181	25,008	26,100	26,100	-	May be less if can negotiate phase out
5540 TRAVEL CONVENTION & EDUCATION					-	
6001 OFFICE SUPPLIES					-	
8207 EDP EQUIPMENT					-	
12510 DATA PROCESSING	24,181	25,508	26,100	26,100	-	
FUNC 12530 FINANCE & PURCHASING						
1100 SALARIES - REGULAR	343,960	364,389	367,598	382,016	14,418	2% plus catchup, plus day adjust
1300 SALARIES - PART TIME					-	
2100 FICA BENEFITS	25,555	27,455	28,123	29,224	1,101	
2210 VSRS BENEFITS	38,971	42,488	42,862	55,392	12,530	Rate increase
2300 HEALTH INSURANCE BENEFITS	26,577	23,752	24,261	26,158	1,897	Rate increase
2400 LIFE INSURANCE	963	4,336	4,374	5,043	669	Rate increase
2750 RETIREE HEALTH CARE CREDIT		4,045	4,080	4,508	428	Rate increase
2800 OTHER BENEFITS	150	3,400	-	-	-	
3000 PURCHASED SERVICES					-	
3320 MAINTENANCE SERVICE CONTRACTS	-				-	
3500 PRINTING AND BINDING					-	
3600 ADVERTISING	196	354	200	400	200	
4300 CENTRAL PURCHASING/STORE	(1,292)	(558)			-	
5210 POSTAL SERVICES	2,688	2,210	2,800	2,200	(600)	More EFT
5230 TELECOMMUNICATIONS	1,309	1,392	1,339	1,400	61	
5510 TRAVEL MILEAGE	620	468	700	700	-	Rate increase
5540 TRAVEL CONVENTION & EDUCATION	1,320	121	700	100	(600)	More Webinar
5810 DUES & MEMBERSHIPS	864	335	900	900	-	
6001 OFFICE SUPPLIES	2,209	1,381	3,000	2,000	(1,000)	Fewer forms, more electronic
6012 BOOKS AND SUBSCRIPTIONS	159		200	200	-	
6014 OTHER OPERATING SUPPLIES	-				-	
8201 MACHINERY AND EQUIPMENT					-	
12530 FINANCE & PURCHASING	444,249	475,568	481,137	510,240	29,103	
TOTAL	499,080	532,176	541,737	569,340	27,603	

Proposed FY 15 Staffing Configuration

POSITION	CURRENT TOTAL	Increase	NEW SALARY	PERCENT INCREASE	JAS		Total Salary	CCSA PORTION	JAS PORTION	Health
					FY 13 Catchup	Day Adjusts				
Director	106,715	2,134	108,849	2.00%	2,134		110,984		110,984	exclude
Accountant	62,196	1,244	63,440	2.00%	1,244		64,684		64,684	529.40
Accountant	54,784	1,096	55,880	2.00%	1,096	1,629.82	58,605		58,605	485.42
Purchasing Manager	53,667	1,073	54,740	2.00%	1,073		55,814	33,488	22,325	485.42
Accounts Payable Specialist	37,500	750	38,250	2.00%	750	(1,084.01)	37,916		37,916	exclude
Payroll and Benefits Coordinator	44,405	888	45,293	2.00%	888		46,181		46,181	485.42
Administrative Assistant	39,731	795	40,526	2.00%	795		41,320		41,320	485.42
	398,998	7,980	406,978	2.00%	7,980	546	415,504	33,488	382,016	29,653
BENEFITS RATES										
Health		6.3% inc						3,495	26,158	
FICA		7.65%						2,562	29,224	
VRS		14.50%						4,856	55,392	
Retiree Health Care Credit		1.18%						395	4,508	
Life		1.32%						442	5,043	

JAS FY 15 BUDGET PROPOSAL

OPTION B

	FY 12 ACTUAL	FY 13 ACTUAL	FY 14 ADOPTED	FY 15 REQUEST	2/20/2014 VARIANCE	NOTES
FUNC 12240 INDEPENDENT AUDITOR						
3120 PROFESSIONAL SERVICES	30,650	31,100	34,500	33,000	(1,500)	May decrease more if purchase CAFR Builder
FUNC 12510 DATA PROCESSING						
3100 PROFESSIONAL SERVICES	-	500			-	
3320 MAINTENANCE SERVICE CONTRACT	24,181	25,008	26,100	26,100	-	May be less if can negotiate phase out
5540 TRAVEL CONVENTION & EDUCATION					-	
6001 OFFICE SUPPLIES					-	
8207 EDP EQUIPMENT					-	
12510 DATA PROCESSING	24,181	25,508	26,100	26,100	-	
FUNC 12530 FINANCE & PURCHASING						
1100 SALARIES - REGULAR	343,960	364,389	367,598	367,333	(265)	Day adjust only
1300 SALARIES - PART TIME					-	May need help during ERP
2100 FICA BENEFITS	25,555	27,455	28,123	28,101	(22)	
2210 VSRS BENEFITS	38,971	42,488	42,862	53,263	10,401	Rate increase
2300 HEALTH INSURANCE BENEFITS	26,577	23,752	24,261	26,158	1,897	Rate increase
2400 LIFE INSURANCE	963	4,336	4,374	4,849	475	Rate increase
2750 RETIREE HEALTH CARE CREDIT		4,045	4,080	4,335	255	Rate increase
2800 OTHER BENEFITS	150	3,400	-	-	-	
3000 PURCHASED SERVICES					-	
3320 MAINTENANCE SERVICE CONTRACTS					-	
3500 PRINTING AND BINDING					-	
3600 ADVERTISING	196	354	200	400	200	
4300 CENTRAL PURCHASING/STORE	(1,292)	(558)			-	
5210 POSTAL SERVICES	2,688	2,210	2,800	2,200	(600)	More EFT
5230 TELECOMMUNICATIONS	1,309	1,392	1,339	1,400	61	
5510 TRAVEL MILEAGE	620	468	700	700	-	Rate increase
5540 TRAVEL CONVENTION & EDUCATION	1,320	121	700	100	(600)	More Webinar
5810 DUES & MEMBERSHIPS	864	335	900	900	-	
6001 OFFICE SUPPLIES	2,209	1,381	3,000	2,000	(1,000)	Fewer forms, more electronic
6012 BOOKS AND SUBSCRIPTIONS	159		200	200	-	
6014 OTHER OPERATING SUPPLIES					-	
8201 MACHINERY AND EQUIPMENT					-	
12530 FINANCE & PURCHASING	444,249	475,568	481,137	491,938	10,801	
TOTAL	499,080	532,176	541,737	551,038	9,301	

Proposed FY 15 Staffing Configuration

POSITION	CURRENT TOTAL	INCREASE	NEW SALARY	PERCENT INCREASE	JAS		Total Salary	-CCSA PORTION	JAS PORTION	Health
					FY 13 Catchup	Day Adjusts				
Director	106,715		106,715	0.00%	-	-	106,715	106,715		exclude
Accountant	62,196		62,196	0.00%	-	-	62,196	62,196		529.40
Accountant	54,784		54,784	0.00%	-	1,597.87	56,382			485.42
Purchasing Manager	53,667		53,667	0.00%	-	-	53,667	32,200	21,467	485.42
Accounts Payable Specialist	37,500		37,500	0.00%	-	(1,062.75)	36,437		36,437	exclude
Payroll and Benefits Coordinator	44,405		44,405	0.00%	-	-	44,405		44,405	485.42
Administrative Assistant	39,731		39,731	0.00%	-	-	39,731		39,731	485.42
	398,998		398,998	0.00%	-	535	399,533	32,200	367,333	29,653
BENEFITS	RATES									
Health	6.3% Inc							3,495	26,158	
FICA	7.65%							2,463	28,101	
VRS	14.50%							4,669	53,263	
Retiree Health Care Credit	1.18%							380	4,335	
Life	1.32%							425	4,849	

**FY 15 Monthly Health Benefit Rates**

Effective 7/1/2014

Source: Joint Administrative Services

A. Plan Rates	Cost	Employer	Employee	Employer	Employer	FY 15 Employer Annual
				FY 15 Share	FY 14 Share	
<u>KA 250 Plan Option</u>						
<u>Regular Full Time</u>						
Single	570.00	485.13	84.87	85%	85%	5,822
Dual	1,055.00	529.46	525.54	50%	50%	6,353
Family	1,539.00	772.87	766.13	50%	50%	9,274
<u>Transportation, Food Service &amp; Other</u>						
Single	570.00	409.34	160.66	72%	72%	4,912
Dual	1,055.00	446.74	608.26	42%	42%	5,361
Family	1,539.00	652.13	886.87	42%	42%	7,826
<u>KA 500 Plan Option</u>						
<u>Regular Full Time</u>						
Single	528.00	485.13	42.87	92%	92%	5,822
Dual	977.00	529.46	447.54	54%	54%	6,353
Family	1,426.00	772.87	653.13	54%	54%	9,274
<u>Transportation, Food Service &amp; Other</u>						
Single	528.00	409.34	118.66	78%	78%	4,912
Dual	977.00	446.74	530.26	46%	46%	5,361
Family	1,426.00	652.13	773.87	46%	46%	7,826
<u>TLC High Deductible</u>						
<u>Regular Full Time</u>						
Single	435.00	435.00	.00	100%	100%	5,220
Dual	805.00	494.75	310.25	61%	61%	5,937
Family	1,175.00	721.13	453.87	61%	61%	8,654
<u>Transportation, Food Service &amp; Other</u>						
Single	435.00	367.04	67.96	84%	84%	4,405
Dual	805.00	417.46	387.54	52%	52%	5,010
Family	1,175.00	608.48	566.52	52%	52%	7,302
<b>B. Account Contributions</b>						
<u>Regular Full Time</u>						
TLC Health Savings Account Contribution (single)		50.13				602
TLC Health Savings Account Contribution (dual)		34.70				416
TLC Health Savings Account Contribution (family)		51.74				621
<u>Transportation, Food Service &amp; Other</u>						
TLC Health Savings Account Contribution (single)		42.30				508
TLC Health Savings Account Contribution (dual)		29.28				351
TLC Health Savings Account Contribution (family)		43.66				524
<b>C. Total Employer Cost Per Group Health Member</b>						
<u>Regular Full Time</u>						
Single Health		485.13				
Dual Health		529.46				
Family Health		772.87				
TLC Single Health & "HSA"		485.13				
TLC Dual Health & "HSA"		529.46				
TLC Family Health & "HSA"		772.87				
<u>Transportation &amp; Food Service</u>						
Single Health		409.34				
Dual Health		446.74				
Family Health		652.13				
TLC Single Health & "HSA"		409.34				6.30%
TLC Dual Health & "HSA"		446.74				
TLC Family Health & "HSA"		652.13				

Notes: Where two employees are married, and they together opt for either a dual or family option, the employer will pay two times the single employer contribution for the plan option selected.

**METHOD:**

Force TLC employee single contribution to zero.  
 Proportion other rates to percentage contributions from prior year.  
 Force 250 employer contribution to same as 500 contribution.  
 Force "HSA" contribution so total employer equal across plans.

# The Local Choice Health Benefits Program

## Clarke County And Schools

Proposed Rates Effective from  
July 1, 2014 through June 30, 2015

	<u>Single</u>	<u>Dual</u>	<u>Family</u>
<b><u>ACTIVE EMPLOYEES</u></b>			
Key Advantage Expanded	\$615	\$1,138	\$1,661
* Key Advantage 250	\$570	\$1,055	\$1,539
* Key Advantage 500	\$528	\$977	\$1,426
Key Advantage 1000	\$489	\$905	\$1,320
* High Deductible Health Plan	\$435	\$805	\$1,175
<b><u>RETIREES NOT ELIGIBLE FOR MEDICARE</u></b>			
Key Advantage Expanded	\$615	\$1,138	\$1,661
* Key Advantage 250	\$570	\$1,055	\$1,539
* Key Advantage 500	\$528	\$977	\$1,426
Key Advantage 1000	\$489	\$905	\$1,320
* High Deductible Health Plan	\$435	\$805	\$1,175
<b><u>RETIREES WITH MEDICARE</u></b>			
Advantage 65	\$160		
* Advantage 65 and Dental/Vision	\$190		

### \* Benefit Plans Currently Offered

Coverage under The Local Choice Key Advantage and HDHP contracts is for:

- Active Employees and their Dependents
- Retirees not eligible for Medicare and their Dependents not eligible for Medicare, and/or
- Dependents of Medicare eligible Retirees who are not Medicare eligible.

If coverage is offered to Medicare eligible retirees and their Medicare eligible Dependents, it must be obtained through one of our Medicare Supplemental contracts which require participation in both Parts A and B of Medicare to receive maximum benefits.

# THE LOCAL CHOICE HEALTH CARE PROGRAM

Anthem Blue Cross and Blue Shield

Renewal Analysis For:  
(Excludes Advantage 65 premiums and claims)

**Clarke County And Schools**

**Group #47284**

**for July 1, 2014 through June 30, 2015**

I. Income at Current Rates (1)	\$2,888,532
II. Projected Medical Claims Related Charges (2)	
A. Claims Cost (01/01/2013 though 12/31/2013)	\$4,391,040
B. 100% Facility Network Savings	(\$1,282,792)
C. 100% Professional Network Savings	(\$879,412)
D. Claims in excess of the \$110,000 pooling limit	(\$198,626)
E. Subtotal	\$2,030,209
F. Change in Incurred But Not Reported Claims	\$30,453
G. Benefit Adjustment	\$0
H. Enrollment Adjustment	\$0
I. Trend	<u>\$187,520</u>
J. Total Medical Projected Incurred claims	\$2,248,182
III. Projected Reinsurance Charges	\$224,818
IV. Projected Medical Administrative Charges, Network Access Fees, and Affordable Care Act(3)	\$176,306
V. Projected Dental Capitation	\$149,900
VI. Projected Drug Capitation	\$649,661
VII. TLC Contingency Reserve or Risk Fee(4)	(\$378,428)
VIII. Total Income Requirements (II.J. + III. + IV. + V. + VI. + VII.)	\$3,070,440
Percent of Current Income	106.3%

<sup>1</sup> Illustrative income is based on current enrollment as follows:

	KA 250	KA 500	HDHP	TOTAL
Single	74	132	12	218
Dual	14	26	7	47
Family	<u>18</u>	<u>40</u>	<u>7</u>	<u>65</u>
<b>TOTAL:</b>	106	198	26	330

<sup>2</sup> There is 1 claimant in excess of the \$110,000 pooling limit.  
 Facility and Professional network savings represent 49.2% of medical claims cost.  
 Medical trends used in the renewal development were 6% annual.  
 For a 18 month projection, this equates to 9.1%

<sup>3</sup> Administrative charge as a percent of income requirements is 5.7%

<sup>4</sup> Includes DHRM Program Administration and CommonHealth