

Tamalpais Community Services District

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Minutes of the Work Session Meeting of TCS D Board of Directors

Wednesday - October 22, 2014

8:45 AM

TCS D MAIN OFFICE - 305 BELL LANE, MILL VALLEY

I. CALL TO ORDER

The Tamalpais Community Services District Board of Directors was called to order by President Brown at 8:47am on Wednesday, October 22, 2014.

2. ROLL CALL President Jeff Brown; Directors Jim Jacobs, Steffen Bartschat, Gretchen Stagg and Steven Levine

Absent: None

As five of the five Board members were present at Roll Call, a quorum was constituted.

Staff President: General Manager Jon Elam, Recording Secretary Claudia Laughter, and Sewer Maintenance Worker David Bostian (for Bob Bunce).

Others Present: Scott Hadley - Benefits Supervisor, Marin County Department of Human Resources

Public: Nancy MacDonald, Dan MacDonald, and John Black

3. APPROVE AGENDA

MOTION TO APPROVE THE AGENDA

M/S/C: J. JACOBS/S. BARTSCHAT

AYES: 5

NAYS: 0

4. PUBLIC EXPRESSION

President Brown invited public expression on non-agenda items, in response to which there was the following: None.

5. GENERAL BUSINESS

- A. PRESENTATION OF TCS D HEALTH CARE BENEFIT PROGRAM FOR 2015** - GM Elam introduced Mr. Hadley who manages the oversight of the benefit programs that are sold through the retirement fund in Marin County. The Board had requested that Mr. Hadley come and discuss details of the current and any potential program changes. He stated that no decisions were being made and that this was a question and answer session only.

Director Levine asked if all employees were with Kaiser. GM Elam stated that Kaiser was the only option provided and that no employees had ever requested a different provider. Finance Manager Taylor stated that all full time employees are eligible for Kaiser and Delta Dental plan along with their family members and that a few who have medical coverage elsewhere are paid cash in lieu of the insurance payment. President Brown asked if the cash was taxed and Mr. Taylor stated that it was. GM Elam reminded the Board that he is not in the County system. President Brown asked if the County offered the same cash option for County employees who are covered elsewhere. Mr. Hadley stated that that is only offered to supervisors and that they offer all employees an amount between \$440-560 per check, if they decline to accept it, they are given \$100 per check. Mr. Taylor stated that the District has elected to keep it simple in only offering Kaiser and that directors are treated like employees who then reimburse all costs directly back to the District. President Brown asked what the County benefit plan covers. Mr. Hadley stated it covers medical, dental, vision, and basic life insurance with a minimal co-pay for medical. He stated that this year, the fire/nurses, battalion chiefs were negotiating for more coverage for families and the other divisions will be going to the negotiation table next year and the County would like to make fundamental changes. Mr. Taylor stated that projected rates for Kaiser would be dropping next year down 3.89% with Delta coming out flat. VP Bartschat asked if the County has full family coverage and Mr. Hadley stated full coverage was for employee only with the remainder of the allotted amount to cover dependants; employees decide how to spend the funds (medical, dental, vision).

GM Elam pointed out that the Kaiser Plan "S" could be participated in which would be a \$25 co-pay (as opposed to the \$5 co-pay currently) which would be slightly cheaper (\$640 instead of \$709). Mr. Hadley stated that the cost changes were minor - a difference in the prescription plan but that the high-deductible health plan through Kaiser is the minimal under law. VP Bartschat asked if it could be combined with a health savings account. Mr. Hadley stated that an employee could open one with a tax deduction later. VP Bartschat asked about plans for retirees. Mr. Hadley stated that they will receive the same plan if they are not under Medicare, but once they join Medicare, the plan design is adjusted. He stated a majority of retired employees are 100% covered for themselves and their spouses. The County carries and values these retirement liabilities on their books. VP Bartschat asked if there were tiers for active employees. Mr. Hadley stated that the pension is under the law for the employees but the medical laws are variable depending on original plan they were hired under. Director Levine asked about how many employees moved from one plan to another and Mr. Hadley stated that 85% were under Kaiser.

GM Elam pointed out that of the three current retirees, if they were on the senior advantage plan, they would receive \$395.32 (all are also currently on Medicare). One employee still has dependents so it is the cost difference of \$395 for single and \$343 for each dependent. All employees hired after May 2014 will only have their own retirement medical paid and not for any dependents. Director Levine asked what the option would be if all employees were moved to the Affordable Care Act. Mr. Hadley

stated that the ACA has different stages for small employers to go out onto the exchanges, but the large collective bargaining that the County has, will provide better rates.

Mr. Hadley reviewed the remaining County plan segments and Mr. Taylor stated that the District has tried to keep a simple benefit plan rather than a "cafeteria" due to better management through the County. VP Bartschat asked what the benefit plans were for other counties. Mr. Hadley stated it was a fairly wide spectrum but that Marin County is in the middle. Sonoma offers \$500/month, other entities are paying 85% of total bill for family but Marin County is on the lower end for fire districts and costs for fire and police forces are more generous. He stated that most smaller entities offer similar plans that the District current does with medical and dental.

Public:

Mr. Black asked how Mr. Hadley felt about Sutter Health. Mr. Hadley responded that it was good company but the same as other insurers in that their bottom line is to make money. The doctors group within Kaiser is for-profit despite Kaiser as a larger company being non-profit.

GM Elam stated that in terms of the District, employees are currently in Plan L for the year but if the Board wanted to make modifications to move to Plan S (higher deductible), when could that occur? Mr. Hadley stated that technically any time but he would prefer a July 1st change with notification sent no later than May 1st to be able to set up a new billing group as long as it was a systematic change. VP Bartschat asked about adding a vision plan to that timeframe. Mr. Hadley stated that the Board could but would also need time to reach out to the SP billing group.

With no further questions, the Board thanked Mr. Hadley for his time and would keep him informed of any next steps.

VP Bartschat stated that this was an excellent discussion and a good next step would be to see what other cities/special districts are offering their employees.

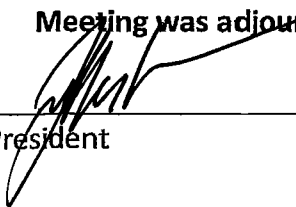
6. OTHER ISSUES

None.

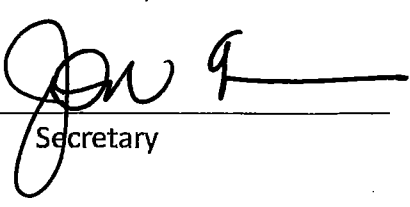
7. ADJOURNMENT

M/S/C G. STAGG/J. JACOBS AYES: 5 NAYS: 0

Meeting was adjourned at 9:32am.



President



Secretary

Special Needs: In compliance with the Americans with Disabilities Act (28 C.F.R. 35.102-35.104, ADA Title II) if you need special assistance to participate in this meeting, please contact the TCSB at (415)-388-6393, x10. Notification 48 hours prior to meeting enables TCSB to make reasonable arrangements to ensure accessibility. In compliance with Senate Bill 343 the law requires writings subject to the Public Records Act to be available for public inspection at the time the writing is distributed to the member of the legislative body
In compliance with Senate Bill 343 materials or writings subject to the Public Records Act is available for public inspection at 305 Bell Lane, Mill Valley, California between the hours of 8:00 a.m. through 4:30 p.m. Monday through Friday.

NEXT BOARD MEETING:

TCSO BOARD MEETING

WEDNESDAY, OCTOBER 8, 2014 7:00PM

TAM VALLEY COMMUNITY CENTER - 203 MARIN AVENUE, MILL VALLEY

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