

**GREATER**

**TOMPKINS COUNTY MUNICIPAL  
HEALTH INSURANCE CONSORTIUM**

Municipalities building a  
stable insurance future.

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## AGENDA

### Board of Directors

June 24, 2010 Old Jail 5:30 pm – 7:30 pm

1. Approve May 2010 minutes
2. Union Consent letter
3. Reserves

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**Consortium Members:**

County of Tompkins ~ City of Ithaca ~ Town of Caroline ~  
Town of Danby ~ Town of Dryden ~ Town of Enfield ~ Town of Groton ~ Town of Ithaca ~  
Town of Ulysses ~ Village of Cayuga Heights ~ Village of Dryden ~ Village of Groton ~ Village of Trumansburg

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**Greater Tompkins County Municipal Health Insurance Consortium  
Board of Directors MINUTES  
May 27, 2010  
Old Jail Conference Room  
Agenda \*\*\*\***

1. Approve April 2010 Minutes VOTE
2. Reserving requirements/ Financial instruments
3. Union participation/ Joint Committee update

draft

*\*\*\*Disclaimer: While these items have been discussed, NONE of them have been voted on or finalized. All plans are in the DRAFT phase.*

***Present:***

***Municipalities:***

City of Ithaca - Steve Thayer, County of Tompkins - Joe Mareane, (Proxy)  
Town of Caroline - Don Barber, Town of Danby - Laura Shawley, Town of Dryden - Mary Ann Sumner, ,  
Town of Groton - Glenn Morey  
Town of Ithaca - Judith Drake, Town of Ulysses - Lucia Tyler, Village of Cayuga Heights - Kate Supron,  
Village of Dryden - Charles Becker, Village of Groton - Elizabeth T. Conger, Village of Trumansburg - Debbie  
Nottke (Proxy)

***Union:***

CSEA - Chantalise Demarco, President TC3 PAA - Darlene Finn

***Absent:***

Town of Enfield

***In attendance:***

Town of Ulysses Roxanne Marino, Locey & Cahill - David M Sanders, County Administration - Marcia Lynch,  
County Finance - David Squires, TC3 - Sharon Dovi, CSEA - Margaret Lloyd, Town of Danby - Ric Dietrich,  
Ithaca Journal - Stacy Shackford

***Welcome Agenda***

Chair Don Barber called the meeting to order at 4:31pm.

**1. Approval April 2010 Minutes**

The minutes were reviewed by the Board of Directors.

Motion: Glenn Morey

Second: Laura Shawley

Comments:

Mr. Barber requested the following changes;

Page three first paragraph (\$2,254,027.58) change to (\$2,265,721.58)

Fifth paragraph "Cash Flow" change (1.9 million) to (1.2 million)

Carried: Unanimously

**2. Reserving requirements/ Financial instruments**

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Mr. Barber began with an announcement that the NYSID must make several key decisions in order to allow the consortium to move forward. Of the three remaining issues, which require approval, the NYSID has had three, two and this month respectively to research and provide the consortium with guidance, policy or an assessment on these three key issues.

Mr. Barber stated that this has become a political issue, requesting that anyone with association to lawmakers to inform them of the situation and request for a timely review of the last remaining obstacles.

Mr. Barber reviewed the consortium Capitalization worksheet, which presented 2010 premiums, percent per municipality, capitalization based on a five year timeline, and annual capitalization payments based on a five year timeline.

Interest and payments must be reviewed as an additional premium, therefore the BOD will review capitalization, interest and other options to be determined in future meetings. Mr. Barber notes that today, this meeting, is to determine proposal, prorata of total reserves, and commitment, in creating a 2.266 million dollar reserve requirement determined by the NYSID to satisfy Article 47 requirements. This will be extremely helpful when requesting that the NYSID make timely decisions.

Each is to pay upfront additional funds, which will be paid back within five years.

*Why pay more?*

Simple, buy into the consortium, illustrate municipal commitment, reap the benefits associated with the consortium model and being part of a larger group.

*Will each municipality be paid back interest for the "capital investment" per say?*

Not necessarily, the BOD will have to determine whether or not to provide interest over the five year period and at a rate determined by the BOD. Another option is to pay back each municipalities investment principle only, and use additional funding to ensure stability of premiums or decrease premiums. Again, this is a decision which will be made by the BOD.

A decision on adopting a Resolution which will determine the consortium's intent.

*All the discussed options are considered legal, but are they allowable by the NYSID?*

NYMIR is the model we are hoping to follow with the Capitalization, but they are totally different types of insurance. This remains a gray area, until NYSID provides feedback.

Another funding obstacle is many municipalities have budgeted their 2010 funding under the assumption that they were to switch to the consortium plan sometime this year, January 1 or June 1<sup>st</sup>, both self-imposed deadline have passed. The Town of Ithaca is expected to lose \$150,000 if they do not switch this year. This will effect capitalization funding by many.

Individual municipalities discussed there board concerns, funding/ capitalization numbers discussed on committee basis. Mr. Barber stated that our goal is to show the State a significant effort; he concluded with a recommendation that each municipality take the follow idea back to your respective boards, for feedback. When asked what happens if the NYSID returns with a "No", Mr. Barber stated that we will be one million dollars short.

Mr. Barber remarked that no action be taken at this time, that all in the room have a common goal that "we are in this together."

### **3. Union participation/ Joint Committee update (RESOLUTION ATTACHED)**

Mr. Barber began with thanking both CSEA - Chantalse Demarco, President TC3 PAA - Darlene Finn, for their

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work and efforts with the following Agreement in concept.

Mr. Barber read the most recent resolution which was forwarded via e-mail earlier today. Mr. Barber read the newest version of the resolution to the BOD.

**Approval of the Change to inter-municipal cooperative agreement inclusion on two (2) Labor Union Officials on the Board of Directors**

Motion: Don Barber

Second: Elizabeth T. Conger

Discussion:

Mr. Barber requested the following changes:

***Change***

Whereas, the Consortium must include Labor/ Union representation on its Board of Directors, as required by Article 47 of NYS Insurance Law.

***To***

Whereas, inclusion of Labor/ Union representation on the Board of Directors, is required by Article 47 of NYS Insurance Law.

***Change Section K***

Change ALL Advisory Committee to Joint committee

Reasoning: Group will be working on plan structure and design, rather than advising

***Change Section K , part (5) five to:***

The Union Members of the Joint Committee shall select from its members, an additional at larger individual to serve as a voting member on the Board of Directors of the Consortium. If the number of municipal members on the Consortium rises to seventeen (17), the Union members of the Joint Committee shall select from among the union membership, an additional individual to serve as a voting member on the Board of Directors of the Consortium.

Vote on amendments made: Move: Don Barber Seconded: Mary Ann Sumner Unanimously Approved

Vote on the amended motion: Unanimously Approved

Weighed voting model was discussed by Mr. Mareane.

Questions on how the NYSID will react to discontent by Unions that do not show interest in the Consortium concept.

Issue and concerns over the way the County chose to change the time of the meeting with out asking for feedback or consensus was stated, by several municipalities. Note, the time was changed from 5:30 to 4:30, due to a County event scheduled that evening, which involved its BOD's. Any change should be through all BOD members and feedback provided by all.

Unless we receive good news, next meeting will be the last Thursday of the June.

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**APPROVAL OF CHANGE TO INTER-MUNICIPAL COOPERATIVE AGREEMENT-  
INCLUSION ON TWO (2) LABOR/UNION OFFICIALS ON BOARD OF DIRECTORS**

**WHEREAS**, the inclusion of labor/union representation on its Board of Directors is required by Article 47 of NYS Insurance Law,

**NOW, THEREFORE BE IT RESOLVED**, that the Consortium hereby agrees to include two (2) labor/union officials as voting representatives on its Board of Directors, effective as of the date of this resolution, and

**FURTHER RESOLVED** that in order to maintain the general proportion of labor/union representation on the Board (15%), the number of labor/union representatives on the Board of Directors shall increase to three (3) if the number of municipal members on the Consortium rises to seventeen (17), and

**FURTHER RESOLVED** that the wording of Section K of the Municipal Cooperative Agreement read as follows:

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***From Municipal Cooperative Agreement:***

**K. JOINT COMMITTEE ON PLAN STRUCTURE AND DESIGN.**

1. There shall be a Joint Committee on Plan Structure and Design (the "Joint Committee"), which shall consist of (a) a representative of each collective bargaining unit that is the exclusive collective bargaining representative of any Enrollee or group of Enrollees covered by the Plan(s) (the "Union Members"); and (b) a representative of each Participant (the "Management Members"). Management Members may, but are not required to be, Directors.
2. The Joint Committee shall review all prospective Board actions in connection with the benefit structure and design of the Plan(s), and shall develop findings and recommendations with respect to such matters. The Chair of the Joint Committee shall report such findings and recommendations to the Board at any regular or special meeting of the Board.
3. The Joint Committee shall select (a) from among the Union Members, an individual who shall serve as Chair of the Joint Committee; and (b) from among the Management Members, an individual who shall serve as Vice Chair of the Joint Committee. The Joint Committee shall establish its own parliamentary rules and procedures.

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4. Each eligible union shall establish such procedures by which its representative to the Joint Committee is chosen and such representative shall be designated in writing to the Chairperson of the Board and the Chair of the Joint Committee.
5. The Union Members on the Joint Committee shall select from among the Union Members an individual to serve as an additional at-large voting Labor Member on the Board of Directors of the Consortium. If the number of municipal members on the Consortium rises to seventeen (17), the union members of the Joint Committee shall select from among the Union Members an additional at-large voting Labor Member on the Board of Directors of the Consortium.

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