

**SOLEBURY TOWNSHIP BOARD OF SUPERVISORS**

**October 7, 2014 – 4:30 p.m.**

**Solebury Township Hall**

**WORK SESSION MINUTES**

Attendance: James Searing, Chair, Paul Cosdon, Vice-chair, Robert Heath, Jr. (arrived at 4:45) Edward McGahan, Jr., and Helen Tai. Dennis H. Carney, Township Manager, Gretchen K. Rice, Assistant Manager and Michele Blood, Finance Director, were also in attendance.

The Chair opened the work session with a brief review of the last work session and the revisions to the draft budget figures resulting from that discussion.

Ms. Blood and Mr. Carney outlined the changes that were made, including a recommendation from Township Administration that a tax increase of 2.25 mils be instituted in 2015.

The following issues were among the items discussed:

The proposed Roads and Bridges Program for the next five years;  
Part-time temporary office help;  
ARLE Grant funds;  
Township share for extension of Solebury Trail system;  
Potential two-year draw down of loan for public works project;  
Police Department vehicle replacement policy;  
Deer Management count;  
Tax increase of more than 2.25 mils;  
Eagle Fire Company request for tax increase;  
Healthcare costs applicable to non-uniform employees;  
Recommended reserve fund balances to maintain bond ratings.

In discussions regarding healthcare costs, the Board reviewed current levels of coverage and associated costs and three different coverage options that could reduce Township expenses. Option 1 could result in a .5% savings; Option 2 results in a 4% savings; and Option 3 results in a 7% savings. Among the items that impact Township healthcare premium expenses are employee co-pays and employee contributions toward premiums. The Board also reviewed information from other municipalities and found there was no clear pattern based on the data.

The uniform employees are covered under the Collective Bargaining Agreement and no change in coverage is possible under the existing contract.

The non-uniform employees currently contribute 3% of their applicable premium costs.

The Board agreed that if a non-uniform employee elected to continue under the current HMO coverage, that employee could do so if the employee assumed the cost for the difference in premium between any new HMO offered and the current HMO provided, in addition to the standard non-uniform employee percentage contribution. Should a non-uniform employee elect to buy-up to the PPO offered the difference in premium cost will also remain the responsibility of the individual employee in addition to any standard percentage contribution.

**Res. 2014-139 – Upon a motion by Mr. McGahan, seconded by Mr. Heath, it was agreed to provide healthcare coverage to all full-time non-uniform employees and their dependents in 2015 as detailed under Option 2, (copy attached), and to require all full-time non-uniform employees to contribute 4% of the premium based upon their individual coverage level.**

The work session ended at 6:00 p.m.

Respectfully submitted  
Gretchen K. Rice  
Assistant Manager  
Secretary/Treasurer

**OPTION 2**

**Non-Uniform HC Costs**

<b>Coverage Type</b>	<b>Units</b>	<b>Current</b>	<b>Option 2</b>
Single	2	\$1,601.90	\$1,533.82
Couple	5	\$9,214.70	\$8,823.10
Family	6	\$14,099.58	\$13,500.48
<b>Total Premium</b>		<b>\$24,916.18</b>	<b>\$23,857.40</b>
<b>Savings Over Current Plan</b>			<b>\$1,058.78</b>
<b>Annual Savings</b>			<b>\$12,705.36</b>
<b>Percentage Savings</b>			<b>4%</b>

**Annualized Premium**                      \$298,994.16                      \$286,288.80

<b>Total Monthly Premium with DVIT Discount</b>	\$23,720.20	\$22,712.24
<b>Discounted Annualized Premium</b>	\$284,642.44	\$272,546.94