Chair Tim Brellenthin called the meeting to order at 3:30 p.m.

Roll call was conducted and all members were present: Chair Tim Brellenthin, Vice Chair Ken Monroe, and Supervisors Kathy Ingersoll, Susan Pruessing and Rick Stacey.

**Others in Attendance**
- County staff: County Administrator David Bretl; Human Resources (HR) Director Kate Bishop; Director-Public Works Richard Hough; Director of Special Education Tracy Moate; Comptroller Jessica Conley; Financial Systems Administrator Andy Lamping
- Members of the public: Nicole Dahl, M3 Insurance

Supervisor Pruessing made a motion, seconded by Supervisor Stacey, to approve the agenda as presented. Motion carried by voice vote.

Vice Chair Monroe made a motion, seconded by Supervisor Pruessing, to approve the May 22, 2019 Human Resources Committee meeting minutes. Motion carried by voice vote.

**Public comment** – There was none.

**Unfinished Business**
- **Employee Donor Program**
  County Administrator David Bretl said following a request from an employee to expand the Employee Donor Program, he and Human Resources Director Kate Bishop researched the history and policies of the existing program. Since inception, there have been numerous changes to the County’s compensation package and Internal Revenue Service (IRS) rulings. Bretl has contacted a tax attorney to give a legal opinion on potential tax implications regarding program changes. **Supervisor Ingersoll made a motion, seconded by Supervisor Stacey, to postpone consideration of the Donor Program until the legal opinion is issued. Motion carried 5-0.**

- **New Business**
  - **Amending Sections of Chapter 15 of the Walworth County Code of Ordinances Relating to Position Title Updates for Certain Public Works Employees**
    Bretl said the Human Resources Director approved three title changes for certain Public Works employees in May. The amendment is to update the ordinance with the new titles. Other ordinances in the Code will also need updating accordingly. He and Bishop are in the process of reviewing Chapter 15 to see if there are other similar changes that can be authorized by the Human Resources Director without requiring Committee approval, and will bring those requests to a future meeting. **Supervisor Pruessing made a motion, seconded by Supervisor Ingersoll, to recommend approval of the ordinance amendment relating to position title updates for certain Public Works employees. Motion carried 5-0.**
  
  - **Resolution Authorizing the Creation of a Special Education Teacher Position for the 2019-2020 School Year for the Children with Disabilities Education Board**
    Bishop said the revised resolution was distributed prior to the meeting. Director of Special Education Tracy Moate is requesting to add one full-time Special Education teacher for the 2019-2020 school year during the absence of a teacher who is on military leave. There is no adverse fiscal impact as a result of the position addition; the individual on leave is not being paid by the County while serving the military. **Vice Chair**
Monroe made a motion, seconded by Supervisor Pruessing, to recommend approval of the creation of a Special Education teacher position for the 2019-2020 School year for Lakeland School. Motion carried 5-0.

- Resolution Authorizing the Reclassification of a Senior Buyer position to a Purchasing Supervisor
  The revised resolution was distributed before the meeting. Bishop said Following an evaluation of the Purchasing division reorganization, Finance management staff are requesting to reclassify a vacant Senior Buyer position to Purchasing Supervisor to better fit the needs of the department. This will result in an annual increased cost of $17,059. Savings from the position vacancy is $1,770 in 2019. Vice Chair Monroe made a motion, seconded by Supervisor Pruessing, to recommend approval of the reclassification of the position to Purchasing Supervisor. Motion carried 5-0.

- 2020 Health Benefit Design
  Bishop said balancing the need to provide an affordable health care plan and being a good steward of taxpayer funds as low as possible for participants. Management staff and M3 Insurance are recommending certain plan design changes for 2020. Nicole Dahl, M3 Insurance, said each year the County leadership team meets with M3’s underwriting department to assess the projected costs of the health insurance plan to establish appropriate funding rates/premium equivalents. Dahl said by making no changes to the 2020 plan, the County is facing a 15.23% increase in health costs, or a 4.12% funding rate change, with a draw from the health fund reserve of $1,679,280. Several alternatives to control the rising costs of benefits were considered, and the recommended plan design changes to Tier 2 and adding a Tier 4 for Specialty medications rebates would be the least impactful to employees. For Tier 1, a recommended 4th Tier would be added to the pharmacy benefit for Specialty medications through Serve You (the CAAP Rx program). Serve You performed an analysis of Specialty drug prescriptions filled from March 1, 2018 to February 28, 2019. There were 72 prescriptions filled by only eight participants. If the co-pay assistance program had been in place during the review period, $58,000 in savings to the plan would have been realized. Deductibles and co-pays for those in Tier 4 would remain the same; however, reaching the out-of-pocket maximum would take slightly longer at the proposed co-pay change to $100 or 25%. There is a cost associated with the participation in the CAAP Rx program: 10% of the savings from the pharmacy program to the health plan. The proposed change to Tier 2 is increasing the out of pocket maximum to $3,000 for a single plan, and $6,000 for the family plan. Currently the maximum is $2,000 for single coverage and $4,000 for family coverage. M3 estimates by implementing the two plan design changes, there is a potential to save the plan 3% in claims expense risk and lower the health plan funding rate increases to 2.99%, while projecting to use $426,230 of the health fund balance. Dahl added a small percentage of participants meet their out of pocket maximum: 12% in 2018, and 5% so far this year. Once the employee hits the out of pocket maximum, both medical and prescription drugs are paid 100%. Dahl said there was a significant shift in 2018 from Tier 1 to Tier 2 in 2018, which was encouraged to realize plan savings. Prior to that, participants were reluctant to change, even with the increased funds paid into the Heath Savings Accounts (HSA). She said the impetus behind the shift was the lower maximum out-of-pocket in Tier 2. Dahl entertained questions from the Committee. Bretl cautioned the Committee that employees would not be happy with the plan design changes. The County has been using the fund balance of the plan to offset rising costs, and staff have done a good job of avoiding premium spikes by implementing small changes. Supervisor Pruessing commented that Walworth County has a great benefit package compared to most other private and public organizations. Chair Brellenthin confirmed that the recommended changes were for calendar year 2020 and asked when a decision needs to be made. Bishop said that fringe benefits data needs to be entered into the 2020 budget by July 3rd. Bretl said the rate increase will be published in September when the budget is distributed. Supervisor Stacey made a motion, seconded by Vice Chair Monroe, to
approve the proposed health plan design changes as recommended by staff and M3 Insurance. Motion carried 5-0.

Reports/announcements by Chair – There were none.

Confirmation of next meeting: Wednesday, July 17, 2019 at 3:30 p.m.

On motion by Vice Chair Monroe, seconded by Supervisor Stacey, Chair Brellenthin adjourned the meeting at 4:13 p.m.

Submitted by Becky Bechtel, Administrative Assistant. Meeting minutes were approved by the Committee on July 17, 2019.