Council Chambers, Spring Grove, Illinois, February 28, 2017; a meeting of the Finance Committee was held this date at 6:00 p.m., at the Municipal Centre, 7401 Meyer Road, Chairperson Eisenberg presiding.

Call to Order. The following members were present: Chairperson Mark Eisenberg; Members Jim Anhalt, Jeff Letzter, Pat Mazzanti (attended via phone), Bob McMahon, Lloyd Simonson and Randy Vinyard – 7. Absent: None. Also present for the Village were Tom Sanders, Police Chief and Executive Assistant; Stanley St. Clair, Police Sergeant; Jason Hintz, Police Sergeant; Trent Turner, Building & Zoning Officer; Matt Wittum, Public Works Supervisor; Judy Olson, Village Treasurer; and Laura Frumet, Deputy Clerk.

New Business.
IPBC Health Co-op Insurance Program Presentation. Intergovernmental Personnel Benefit Cooperative (IPBC) representatives Dave Cook, Shawn Hamilton and Tyler Feeney were in attendance. IPBC is a consortium created under Illinois state law where municipal groups band together in an employee health insurance pool as a way to potentially lower annual costs. The IPBC, established in 1979, currently includes over 115 municipalities and has seen extraordinary growth over the last five years. They currently have a $150 million fund balance in reserves. They offer 400 plan designs, although the village can structure its own plan, and a dedicated service team. Claims are paid out of the village’s premium payments. United Health Care would be the medical claims administrator and Express Scripts would manage the prescription benefit. If claims are less than the premium paid, remaining funds stay in the fund balance and are still village assets. If claims are in excess, the cost is shared by everyone in the pool. The premium would increase if claims go over. Spring Grove would join a sub-pool where expenses and the renewal rating will be pooled among the sub-pool members. The average yearly increase in insurance premiums with IPBC is 2.34%. Based on the village’s average premium increase of 15% over the last three years, IPBC’s underwriters determined the first year’s premium for the village would be 7.6%. Some members thought this was high and asked if this could be renegotiated as new rates from BCBS plans under Affordable Care Act (ACA) rules are coming in much lower. They can also handle dental, life, and vision insurance. Dividends are also paid.

Chairperson Eisenberg stated the village has been trying to find a health insurance pool as a way to lower insurance costs and would like to discuss this further at the next village board meeting. He would like to see the starting premium rate lowered. IPBC will be holding a meeting on March 23 to approve new members for a September 1 start date. They don’t meet again until the end of September. Their fiscal year starts July 1.

Presentation by Insurance Broker Colleen Dumais regarding health insurance rates for early renewal. Humana wouldn’t quote an early renewal, which surprised Broker Dumais. They
said they will only do a September renewal but she hopes they will rethink their stance. She got pricing for several different Blue Cross Blue Shield Plans with April 1 and May 1 renewals which all follow the new ACA standards. The Blue Choice Preferred PPO plan has a smaller network, but comparable coverage, and would be a 23.11% decrease from the current Humana Plan for an April renewal and a 22.93% decrease for a May renewal. The next BCBS PPO plan with a larger network would have an increase of 3.20% for April and 3.43% for May. Finally, a BCBS PPO plan with a $2,700 deductible instead of $1,500 would be a 9.12% decrease for an April renewal and an 8.92% decrease for May.

Review 2017/2018 Budget Revenues. Chairperson Eisenberg reviewed revenues for FY 2017/18 and said they are expected to be down this year. This is caused mostly by lower utility tax revenue which could be caused by business slow down in certain sectors and even just having a few hundred vacant homes. Fines are also down due to several factors. Chief Sanders said part of the problem is it can take months to receive fine revenue from the courts, but agreed with the figure. Chairperson Eisenberg noted the tax levy remained flat, impact fees are still waived and royalties from the Spring Lakes gravel pit are down as that project is finishing up. In conclusion, the new fiscal year revenues are forecasted to be down $73,950 from last year for total revenue of $3,114,300.

Motion recommending the approval of the February 2017 Bills Payable. Member Simonson moved, seconded by Member Vinyard to recommend approval of the February 2017 bills payable. Ayes: Anhalt, Eisenberg, Letzter, McMahon, Mazzanti, Simonson and Vinyard - 7. Nays: None. Motion carried.

Public Comment. None.

Other Business. None.

There being no further business, Member Vinyard moved, seconded by Member Simonson to adjourn the meeting at 7:49 p.m. On voice vote, the motion carried.

Respectfully Submitted,

Laura Frumet, Deputy Clerk