

Executive (KACC) Board Meeting  
Thursday, February 9, 2012, 8:30 a.m.  
KACC Conference Room

Members Present

Bradley:	Michael Hogan, Chairman	Beecher:	Tami Roskamp
Grant Park:	John Palan, Vice-Chair	Herscher:	Richard Decman
Kankakee:	Dr. Linda Mitchell	Manteno:	Dawn Russert
Momence:	Phil Smith	Peotone:	Dee Oliver
St. Anne:	Rick Levek		

Guests: Ann Williams, BBCHS, Tony Buscemi and John Herr, Senior Consultants, Corporate Benefit Consultants, Inc.

Members Not Present

Central:	Tonya Evans	Reg. Office:	Gregg Murphy
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Minutes

The regular meeting of the Kankakee Area Career Center Executive Committee, Kankakee County, State of Illinois was called to order on February 9, 2012 at 8:30 a.m.

PUBLIC COMMENT

None

CONSENT AGENDA

1-3. A motion was made by Dr. Smith, seconded by Dr. Decman at 8:31 a.m. to approve the consent agenda, minutes of the regular and closed January meetings, accounts payable and financial reports. Motion carried by unanimous roll-call vote.

GUEST PRESENTATION

4. Affordable Healthcare Act (AHA) Implications: Messrs. Buscemi and Herr gave a presentation on the AHA, beginning with a brief history of Corporate Benefit Consultants, Inc. (CBC) relationship with KACC, BBCHS and Momence districts. The information presented was thorough, thoughtful and informative. Issues reviewed included:
  - a. History of the Legislation approval
  - b. Minimum Loss Ratio – explaining the percentage (85% or 80% depending on group size) and the expectation the government will regulate insurance providers to ensure they keep their cost ratio within limits.
  - c. W2 Reporting Requirements: Currently effects entities who file over 250 W2's. Next year this will most likely expand to all employers.
  - d. Summary of Benefit Coverage: This is still under development and is not yet required.
  - e. Preventive Benefits with NO cost sharing: This is in effect for plans effective August 1, 2011
  - f. Nondiscrimination Testing: This will not effect employees covered under a CBA, but will most likely affect all other full-time employees. This topic elicited conversation and questions. According to Mr. Buscemi, IRS ha hired 1,000 auditors to assist in auditing companies to ensure the new regulations are followed. Mr. Herr will provide everyone with an explanation as to what the definition of a "Full-time employee" is for this portion of the legislation.

- g. Insurance Exchanges: HHS has written a portion of this and has forwarded responsibility to all the states to formulate the mandatory coverage. Most likely will not be completed and online until 2014. Reviewed the eligibility requirements to utilize the exchange. Mr. Herr stated it is not the intent of HHS to have people move from group health plans into an exchange. That being said, the “Blue Crosses of the world” are working on refining their products to be competitive and less expensive in order to provide their customers more choices and options for affordable healthcare coverage.
- h. Employee Mandate: Goes into effect 2014 and is intended to effect companies with over 50 employees. Discussion ensued questioning how HHS will determine “household income.” Both Messrs. Buscemi and Herr noted there are contradictory definitions and are not yet sure how the 9.5% of household income will be determined.
- i. Cadillac Tax: This was defined and supplemented with a chart utilizing KACC’s current insurance premiums as an example, coupled with a 5% rate increase from year-to-year, demonstrating the 40% excise tax in 2018. Interestingly, the PPO plan had a healthy excise tax and the HSA plan did not fall under the tax until 2019 and at a marginal amount. Mr. Herr stated this report demonstrates the necessity for schools and municipalities to look at healthcare in the long-term and come up with a strategy to put into place small changes from year to year in hopes of avoiding the tax.
- j. Follow-up: Mr. Hogan requested everyone receive an executive summary of today’s presentation, to include answers to the questions asked and insight on how to treat upcoming administrative contract renewals, i.e.: 1, 3 or 5 years?

#### DIRECTOR’S REPORT

- 5. Director’s Report: Mr. Fay reviewed the contents of his report highlighting the following:
  - a. Meetings with the Executive Officers have been very beneficial. Good discussions and direction elicited.
  - b. Workforce Development Meetings: Very beneficial. Mr. Fay stated there have been some positive developments in the unemployment rate and utilized Reynolds Corporation in Grant Park as an example of such.
  - c. CTE Leadership Team: Mr. Fay spoke about a meeting he held yesterday with a variety of CTE teachers. He reported they are interested in and have a need for professional development opportunities. Mr. Fay will work on planning opportunities later this year and/or over the summer months.
  - d. Electronic Board Packets: Mr. Hogan questioned if anyone had any issues with the electronic board packets. Mr. Fay stated printed versions will no longer be provided unless a specific request is made. Ms. Russert questioned the necessity of having the packet be password protected.

#### DISCUSSION/ACTION ITEMS:

- 6. School Calendar: Mr. Fay stated the calendar attached is the final proposal for KACC. This will be brought back next month for a formal motion.
- 7. Construction Technology Lot Purchase Report: Mr. Fay stated he is in negotiations to purchase lots on behalf of KACC. Following discussion, a motion was made by Mr. Hogan, seconded by Ms. Russert at 9:45 a.m. to purchase up to 3 lots at a value of \$20,000 per lot, not to exceed an expenditure of \$60,000. Motion carried by roll call vote of: Yea: Beecher, Bradley, Grant Park, Herscher, Manteno, Peotone, St. Anne. No: Momence. Abstain: Kankakee.
- 8. Sale of House 19: Mr. Fay stated he has been consulting with Lisa Sandford, Realtor concerning the sale of the house and requested to list the property. The listing/sales fee will be: If Ms. Sandford sells the house, the commission is 5%. If another realtor sells the property, the commission is 5.5%. A motion was made by Ms. Russert, seconded by Dr. Palan at 9:48 a.m.

authorizing Mr. Fay to enter into a contractual arrangement with Ms. Sandford as the listing agent at the terms described. Motion carried by unanimous roll-call vote.

INFORMATIONAL ITEMS:

9. Principal's Report: Ms. Goodale reported on the following:
  - a. Tyler Clay, Fire/Rescue student was recently featured on the front page of the Daily Journal newspaper for having saved the life of his father. Ms. Goodale reported she received a very heartfelt letter of appreciation from Ms. Julie Clay, Tyler's mother. .
10. Special Populations Report: Mr. Kelly and spoke on the following topics:
  - a. Learning Center Scholarship: Mr. Kelley was happy to inform the group of Amanda Devine, Health Occupations I student from BBCHS as having been awarded the Semester 1 Learning Center Scholarship in the amount of \$250.
  - b. 8<sup>th</sup> Grade Day: Mr. Kelley reported we have over 1,480 students registered for this event to be held April 11<sup>th</sup> and 12<sup>th</sup>. Ms. Russert stated based upon what she has learned about potential changes with NCLB, students in the 7<sup>th</sup> grade will need to begin career planning activities and have an ICP in place. Ms. Russert suggested Mr. Kelley think about the potential to change the event to being for 7<sup>th</sup> graders.
  - c. KARVES Advisory Committee: Mr. Kelley stated the meeting held last month was excellent. The last meeting of this school year will be held on May 3<sup>rd</sup>.

MOVE TO CLOSED SESSION

A motion was made by Dr. Decman, seconded by Ms. Russert at 9:55 a.m. to move to closed session to consider the appointment, employment, compensation, discipline, performance, or dismissal of specific employees of the District or legal counsel for the District, including hearing testimony on a complaint lodged against an employee or against legal counsel for the District to determine its validity. 5 ILCS 120/2(c)(1), as amended by P.A. 93-0057. Motion carried by unanimous roll-call vote.

ADJOURN:

There being no further business, a motion to adjourn was made by Mr. Levek, seconded by Ms. Oliver at 9:42 a.m. to adjourn the regular meeting of the KACC Executive Board. Motion carried by unanimous voice vote.

As Recorded By: \_\_\_\_\_  
Dawn Russert  
Secretary

Attested By:

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Michael Hogan, Chairman