



MINUTES
GOVERNANCE COMMITTEE
Thursday, October 16, 2025 – 11:00 AM
Dulles State Office Building
4th Floor, Conference Room
Watertown, New York

The Development Authority of the North Country Governance Committee met in person and via Zoom Videoconference at the Dulles State Office Building, 317 Washington Street, Watertown, New York on Thursday, October 16, 2025 at 11:00 AM.

Members Present

Margaret Murray, Chairperson
Mary Doheny
Alex MacKinnon*
Tom Hefferon
Stephen Hunt
Dennis Mastascusa

Members Absent

*Attended via videoconferencing.

Staff Present:

Carl Farone, Executive Director
Jennifer Staples, Chief Financial Officer
Carrie Tuttle, Chief Operating Officer
Angela Marra, Executive Assistant

Guests:

Jennifer Granzow, Counsel, Wladis Law Firm

1. Chairperson Murray called the meeting to order at 11:00 AM.
2. Chairperson Murray requested a roll call.
 - A quorum of committee members was established.
3. 2026 Health Insurance Coverage

J. Staples began the meeting stating that our health insurance runs on calendar year from January 1 through December 31. She continued with a review of how coverage in 2024

ended. In 2024 the Authority budgeted a 39% HRA utilization, or out-of-pocket deductible, but the Authority actually utilized 51% of the total HRA liability. This is the highest HRA utilization seen to date due to several anomalies that year. 27% was budgeted for the employee percent of premium equivalent and we ended up at 25%. In reviewing the 2025 plan from January through September we are at 34%, we budgeted 42% for the year and we estimate we will end the calendar year at 45%, or a 3% increase. The employee percentage premium equivalent was again budgeted at 27% and we anticipate ending the year close to 27%.

Regarding the 2026 plan and premiums, it was noted that the Bronze 4 plan, that the Authority has had for many years, will be showing increases in both premiums and deductibles. J. Staples reviewed over 100 plans, with 20 of those plans being reviewed in great detail. As a result, she recommends the Authority move to the Excellus Blue Cross Bronze 7 plan. Bronze 7 is the most cost-effective plan and coverage doesn't change much from the Bronze 4 plan, other than no longer covering acupuncture or adult routine vision exams and partial eyewear reimbursement. Additionally, the Authority offers an eye plan employees have the option to purchase, which is relatively inexpensive. While the Bronze 7 plan will increase the deductible by 27.7%, it offers a decrease in the premium of 1.4%. J. Staples continued with an individual premium comparison from 2024 at \$662.66, 2025 was \$695.39, and the Bronze 7 would be at \$685.59 for 2026 versus the Bronze 4 which would be \$767.58. The individual deductible under Bronze 4 in 2024 was \$8,000, 2025 was \$8,300, and the Bronze 7 in 2026 would be \$10,600.

S. Hunt asked if the cost being discussed was the contribution or the total cost. J. Staples responded this is the total cost, and the cost to the employee per pay period as well as to the Authority will be covered in detail. C. Farone commented on the embedded deductible being \$21,200 for the family, but within that full deductible, it limits the individual deductible to \$10,600. This means once one family member uses \$10,600, the insurance covers everything else for the member. This results in the plan taking two people to have substantial bills to actually reach the full \$21,200 deductible.

J. Staples continued with a detailed review of the proposed 2026 plan, the HRA utilization, a review of 2025 and the many anomalies that took place, such as several births due to our younger workforce, and estimated the total spend to be 37% on the Bronze 7 plan. This is less than the 47% that would be estimated on the Bronze 4 plan. The Bronze 7 plan also comes with the recommendation that the employees be responsible for more of the deductible at the end of deductible; increasing the individual amount from \$500 in 2025 to \$1000 in 2026, and the family amount increasing from \$1000 in 2025 to \$2000 in 2026.

M. Doheny arrived at 11:14 AM.

Taking this all into consideration, along with a review of the employee contribution rate per the Affordable Care Act percentage that defines how much money can be charged to an individual each month, resulted in the following cost per pay period; per individual \$122, employee/spouse \$245, employee/child \$219, and family \$317. Based upon the IRS calculation, that takes the lowest employee's hourly rate multiplied by 130, multiplied by the affordability percentage that comes from the IRS, we come up with the dollar value that defines what we can charge an individual per month and still have the plan be affordable.

In 2026 the affordability percentage increases quite a bit, allowing us to charge the individual the full 27% contribution rate, resulting in the increase from \$108 to \$122 per pay period. Moving to the Bronze 7 plan allows the Authority to continue to make coverage affordable for the employee and the Authority.

In a review of the historical health insurance costs, using estimates for 2026 on the Bronze 7 plan compared against the Bronze 4 and estimating how the employees will utilize the plan, the Bronze 7 plan will cost \$16,500 per employee where the Bronze 4 plan would cost \$18,000.

It is also recommended that the stipend remain the same at \$4,500 for all employees that have alternative health insurance. This amount will be divided over 26 pay periods, meaning they receive a portion of that amount every pay period. Continuing this allows the Authority to save \$17,800 in family coverage and \$12,700 in employee/spouse coverage. The \$111,000 in health insurance stipend cost is estimating 24 employees will continue to partake in this provision. This calculation also includes \$3,000 in stipend overtime pay to hourly employees that take the stipend per the Fair Labor Standards Act and New York State Labor Law.

Retiree health insurance, for those under 65, will be the same Bronze 7 plan with the recommended participation rate of 27%, and the same deductible responsibility of \$1,000 for individuals and \$2,000 for the family plan. The premium for those under 65 will decrease from \$281 per month in 2025 to \$265 per month in 2026. Those over 65 will use Medicare Part B as their primary coverage, with the Authority providing a supplemental coverage to be computed based on the 27% premium, unless the Medicare Part B is more than the 27%. Then the retiree would only be responsible for the Medicare Part B costs, which is deducted from their social security benefit. We do not anticipate having the Medicare Part B rate until the end of October, but will calculate that based on the 27% contribution rate.

At this time, management recommends the Blue Cross Blue Shield Bronze 7 plan, with a higher employee HRA contribution of \$1000 per individual and \$2000 per family, the health insurance stipend remaining at \$4,500, the retiree under 65 premiums moving from \$281 to \$265, and that we continue the United Concierge Medicine Coverage, as its usage only continues to increase, keeping HRA utilization down. The UCM telemedicine coverage is a cost of \$8.50 per employee per month for a total annual amount of \$7,344. In 2024 this service was utilized 59 times for a cost savings of \$40,700. In 2025, January through August, it has been utilized 39 times with a current savings of \$34,065. We estimate this will be used 59 times by year end.

T. Hefferon asked if the Governance Committee approves this coverage each year. C. Farone responded that the committee approves this change.

M. Doheny asked if there was a full search done of market plans. J. Staples responded that she searched 100 plans, with a full detail review of 20 of those plans.

Upon a motion by T. Hefferon, and seconded by S. Hunt, Amending coverage to Excellus Blue Cross, Bronze 7 Health Insurance Plan, Calendar Year 2026, Effective January 1, 2026

at a 27% employee contribution rate, with a 37% HRA utilization estimated, was unanimously approved by the Governance Committee.

4. Executive Session – for the purpose of discussion regarding proposed, pending, or current litigation.

Upon a motion by T. Hefferon and seconded by D. Mastascusa, the Board moved into Executive Session at 11:26 AM.

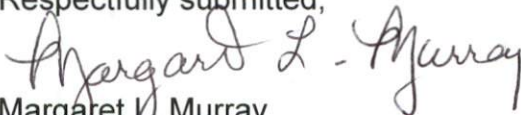
Upon a motion by T. Hefferon and seconded D. Mastascusa, the Board moved out of Executive Session at 12:18 PM.

Chairperson Murray reported no action was taken.

5. Adjourn -

- a. Upon a motion by T. Hefferon and seconded by D. Mastascusa, the meeting was adjourned at 12:19 PM.

Respectfully submitted,



Margaret L. Murray
Committee Chair