



Meeting Minutes - Final
City Council

Monday, October 26, 2015

7:30 PM

Council Chambers

Special Called Meeting

Rollcall

Present: 8 - Mayor Max Bacon, Mayor pro tem/Councilmember Melleny Pritchett, Councilmember Andrea Blustein, Councilmember Teri Anulewicz, Councilmember Charles Welch, Councilmember Susan Wilkinson, Councilmember Wade Lnenicka and Councilmember Ron Fennel

Also Present: 6 - Scott Cochran, Mike L Jones, Tammi Saddler Jones, Amy Snider, Terri Graham and Kay Bolick

Call to Order

Mayor Max Bacon called the Special Called Meeting of the Mayor and Council to order at 7:30PM

1. Formal business:

Approval of the 2016 Employee Insurance providers and plans (Blue Cross/Blue Shield of GA and Guardian) and authorize the Mayor to execute all related documents

Sponsors: Lnenicka

Mayor Bacon read the item before Council aloud and asked Interim City Administrator Mike Jones to provide the background.

Mr. Jones explained that the item regarding employee insurance had been before them at the October 19, 2015 Council meeting and they elected to move the item to a Special Called Meeting. This allowed more time to work with staff and more time for council to come to an agreement on what the new medical insurance plan would look like in terms of cost. The plan itself has not changed, the council would be determining how the cost would be shared between the employees and the City of Smyrna. There was discussion about 6 different options with staff. Option # 1 maintains the contribution between the employees and the city would remain the same and that would result in a cost to the city of \$411,792.00. Option # 2 which is another viable option that would result in a cost to the city of \$358,945.00, the cost to the city would go down due to employee contribution increasing by 1%.

Councilmember Wade Lnenicka stated that there had been much discussion about employee medical insurance and he appreciated the staff putting the information together, the service providers researching and putting a number of good proposals and options together for Council's consideration. It was the time of year for open enrollment for all the employees starting in November. He stated that there has been disagreement with Council about what the best option is and that he is going to make

a motion that he expects to fail, but he is going to make it anyway.

A motion is made by Councilmember Wade Lnenicka to approve plan option # 1 which is the same plan design and maintain the same contribution percentage for item 2015-335 of the 2016 Employee Insurance providers and plans (Blue Cross/Blue Shield of GA and Guardian) and authorize the Mayor to execute all related documents.

There was no second, the motion failed for lack of second.

Councilmember Teri Anulewicz, while making her motion, explained there would be an increase to the family plan that would amount to \$10.55 a pay period and a single employee plan increase that would amount to \$3.12 per pay period. There would be no deductible change for the employees. Councilmember Anulewicz noted that health insurance costs were increasing for everyone and they would continue to increase, she felt that if the city maintained the same employee contribution level it was not realistic. Employees were going to see rate increases down the road and it was easier to budget smaller increases every year than to have a large increase in the future.

Councilmember Charles (Corkey) Welch requested more discussion and asked Councilmember Anulewicz to clarify the increase amounts she remarked about. Ms Anulewicz stated that she had provided the increase differences between option # 1 and # 2. Ms. Anulewicz noted that it was the councils responsibility to be fiscally responsible for the taxpayers and also prudent and responsible employers. She felt they were beholden to both; they need to take care of the employees and also be good stewards of the taxpayers money so for her, option #2 was the best way to accomplish both of those missions.

Councilmember Fennel commented and made an observation for the employees that they have made a goal of an 80/20 participation rate for the employees and the city. The city would pay 80% and pass on 20% of the cost on to the employee for health insurance. He hoped that the next council would maintain this as a policy and keep the 80/20 participation if not a more aggressive participation contribution. Mr. Fennel provided the increase break down to be \$6.11 per pay period for a single employee and for a family it would increase by \$24.28 a pay period. While they understand that each family has different needs they were keeping the deductible within a reasonable range. The city would still contribute a healthy portion of the increase at a total of \$358,945.00 toward the benefit package.

Mayor Bacon asked if most of the increase is absorbed by the family and HR Director Kay Bolick stated that it was an equal increase for all tiered options.

Councilmember Wade Lnenicka stated that there may be many correct answers for the plan design options and stated that the city was currently at 79% for contributions. He has supported the 80/20 participation and feels over all, including the retirees, the city was very close to the 80/20 split with option #1. He felt that with the pay increase which was given of 2%, this increase in health benefits puts a burden on employees which make less money, than for example, a department head which makes more and can better afford these increases. He cannot support option #2 and still felt that option #1 was the best choice for all employees.

Councilmember Fennel asked for clarification on the breakdown from Interim City Administrator Mike Jones. Mr. Jones stated that option # 1 has \$166,000.00 of cost going to the employees in terms of the entire package. By transferring an additional 1% onto the employee that does increase the exposure of those families by about 45% above what they would normally see. If the city went with option #1 the families additional cost would be \$357.00 annually, option #2 would raise that to \$631.00 a

year.

Mayor Bacon clarified that the cities contribution would be \$358,945.00 and Mr. Jones concurred that option #1 would cost the city \$411,792.00 and option #2 would cost the city \$358,945.00 annually.

A motion was made by Councilmember Teri Anulewicz to approve option # 2 for item 2015-335 for the 2016 Employee Insurance providers and plans (Blue Cross/Blue Shield of GA and Guardian) and authorize the Mayor to execute all related documents this would be for option 2 which is the same plan design but increases the employee contribution by 1%, the cost increase for the city will be \$358,940.00. seconded by Councilmember Charles (Corkey) Welch. The motion carried by the following vote:

Aye: 6 - Mayor pro tem/Councilmember Pritchett, Councilmember Blustein, Councilmember Anulewicz, Councilmember Welch, Councilmember Wilkinson and Councilmember Fennel

Nay: 1 - Councilmember Lnenicka

2. Adjournment:

Mayor Max Bacon adjourned the Special Called Meeting of the Mayor and Council at 7:45PM