

Peachtree City Water and Sewerage Authority

November 5, 2018

The Peachtree City Water and Sewerage Authority held its monthly meeting on Monday, November 5, 2018, in the conference room of the John W. Gronner Administrative Center. The following individuals were present: Chairman Vanessa Fleisch, Vice-Chairman Mike King, Treasurer/Secretary Terry Ernst, Board Member Phil Prebor, Board Member Kevin Madden, Ms. Melissa Griffis (attorney with Rosenzweig, Jones, Horne & Griffis), Dan Davis (ISE), Bo Davis (ISE), Leslie Baer (ISE), Todd Browning (J. Smith Lanier & Co.), Johnny Collins (WASA staff), Nathan Brooks (WASA staff), Jonathan Lennon (WASA staff), John Dufresne, and Corinne Kehayes.

Ms. Fleisch called the meeting to order at 6:30 pm, and began with the Pledge of Allegiance.

Ms. Fleisch opened the meeting up for public comment. There were no public comments.

Ms. Fleisch asked for a motion to approve the October 1, 2018 regular meeting minutes. Mr. King made the motion, seconded by Mr. Madden. Motion carried.

There were no reports from the authority members or General Manager.

Mr. Browning with J. Smith Lanier started the discussion on medical benefit renewals. Mr. Browning stated J. Smith Lanier has represented WASA for benefits for many years. Mr. Browning handles the employee benefits package for major medical, dental, vision, life, and disability. Mr. Browning stated the current medical plan with United Healthcare (UH) is no longer offered; and UH mapped us to two plans that are very similar but not exact (one platinum plan and one gold plan); the current UH plan is gold. Under ACA there are metal level plans: platinum, gold, silver, and bronze; with platinum being the most rich. Mr. Browning reviewed the details regarding each plan offered (see attachment). The mapped platinum plan is an approximately 20% increase. Mr. Browning stated the second plan (gold) is offered in an effort to control costs. Mr. Prebor asked if Piedmont was in network. Mr. Browning stated Piedmont is in network with the UH plans. Mr. Madden asked Mr. Browning to confirm that the employee will pay their deductible first, then pay 20% up until the out-of-pocket maximum is met, and thereafter 100% is paid by the plan; Mr. Browning confirmed this statement. Mr. King asked if the employee is responsible for paying the out-of-pocket maximum; Mr. Browning confirmed. Mr. Browning stated the plans are fully insured, with no cap.

Mr. Browning stated there is no change in the Ameritas dental plan; it is a rate hold. Mr. Browning discussed the specifics of the dental plan (see attachment); explaining this is a stronger dental plan than most. Mr. Prebor asked regarding the rates. Todd responded the monthly rates are unchanged from last year: Employee Only - \$30.32; Employee+Spouse - \$60.64; Employee+Child(ren) - \$57.56; and Family - \$90.84. Mr. King confirmed that the plan covers orthodontic services up to \$1,500 per insured.

Mr. Browning stated there is no change in the Ameritas vision plan (which uses the EyeMed network); it is a rate hold. Mr. Browning discussed the specifics of the vision plan (see attachment). Mr. Prebor asked regarding the rates. Mr. Browning responded the monthly rates are unchanged from last year: Employee Only - \$7.88; Employee+Spouse - \$17.00; Employee+Child(ren) - \$13.76; and Family - \$22.84.

Mr. Browning discussed the life insurance plan options; the current plan is with Principal (see attachment). Mr. Browning stated the rates increased with Principal, so we marketed the coverage in order to put pressure on Principal to reduce the renewal rates, which resulted in a 25-40% decrease in rates. Mr. Madden confirmed that the pricing shown is for everyone covered; not each individual. Mr. Browning stated there is no savings for male/female, non-tobacco user, etc. on a group plan. Mr. Browning stated employees have the option to buy additional life insurance through the Colonial plan offerings. Mr. Browning recommended selection of the Principal plan; and that it is important to keep the life and disability insurance with the same carrier (in order to get the best deal on rates). Mr. Madden asked that when the benefits information is presented to the employees, that Mr. Browning mention life insurance is tax free. Mr. Browning stated that the life insurance is a benefit paid for 100% by WASA.

Mr. Browning discussed the long-term disability insurance; the current plan is with Principal (see attachment). Mr. Browning stated the rates increased with Principal, so we marketed the coverage in order to put pressure on Principal to reduce the renewal rates; the rate was negotiated to a 12.94% increase. Mr. Browning stated that some carriers declined to quote because the Principal rates were already competitive. Mr. Madden confirmed that the Class 2 employee is covered to social security normal retirement age. Mr. King asked if WASA has any employees with pre-existing conditions. Ms. Griffiths stated that the employer cannot be provided with that information. Mr. Browning stated that after 12 months of employment, the employee is covered. Mr. Browning stated this benefit is employer paid.

The Board thanked Mr. Browning for his presentation and he was dismissed from the meeting.

Ms. Fleisch asked for a motion to move the BSA Proposal agenda item to the December 3, 2018 meeting. The motion was made by Mr. Madden and seconded by Mr. Ernst. Motion carried.

Mr. Bo Davis stated he has received the annual engagement letter from Mauldin & Jenkins for the FY2018 financial statement audit. Mr. Bo Davis stated after the Board Chair authorizes this engagement, they will begin preparing the necessary information and planning for the field work to begin in January 2019.

Mr. Dan Davis started the discussion on compensation and benefit study proposals. Mr. Dan Davis stated that WASA had compensation studies completed in 2006, 2013, and 2017; and there is only a powerpoint for the 2017 study. Mr. Dan Davis stated that we want to know where we are with regard to the market for our employees. Mr. Dan Davis recommended that WASA get proposals for a new compensation and benefit study. Mr. Dan Davis solicited proposals from three firms to complete the study; two firms responded with a proposal (see attachments). Mr. Dan Davis stated that proposals were submitted by Compensation Resources and The Mercer Group. The Mercer Group prepared the study that was completed in 2006 and updated in 2013. The Mercer Group is headquartered in Atlanta, and the person that would complete the study is in North Carolina. Mr. Dan Davis stated Compensation Resources is based in New Jersey, and their proposal is significantly more responsive to what was requested; although it is a little more expensive. Mr. Dan Davis stated that The Mercer Group proposal is \$9,075 and will take 75 days to complete; the Compensation Resources proposal is \$12,800 and will take 4-6 weeks to complete. Mr. Dan Davis recommended WASA contract with Compensation Resources to complete the compensation and benefit study. Ms. Fleisch asked for a motion. Mr. Ernst made a motion to accept the proposal from Compensation Consultant Service and seconded by Mr. Prebor. Motion carried.

Ms. Griffis informed the Board that they needed to take action on the Mauldin & Jenkins engagement to sign off on the engagement letter from Mauldin & Jenkins for the FY2018 financial statement audit. Ms. Fleisch asked for a motion. Mr. King made a motion to approve the engagement letter from Mauldin & Jenkins (Agenda item VII) and seconded by Mr. Ernst. Motion carried.


Mr. Dan Davis stated that the company name was wrong in the previous motion for Agenda item VIII. Ms. Fleisch asked for a motion. Mr. Ernst withdrew the previous motion regarding Agenda item VIII (compensation and benefit study proposals) and seconded by Mr. Madden. Mr. Ernst made a motion to approve the compensation and benefit study proposal from Compensation Resources and seconded by Mr. King. Motion carried.

Ms. Fleisch asked for a motion to adjourn in Executive Session for the purposes of Real Estate, Potential Litigation and Personnel. The motion was made by Mr. King and seconded by Mr. Ernst. Motion carried. The meeting was adjourned into Executive Session at 7:06 pm.

The meeting was reconvened at 7:48 pm.

Mr. Prebor made a motion to approve the proposal for United Healthcare AUVV Gold Option 1 for employees and to allow employees to "buy-up" at their cost to the AUVS Platinum Plan. The motion was seconded by Mr. King. Motion carried.

Ms. Fleisch asked for a motion to adjourn. The motion was made by Mr. King and seconded by Mr. Ernst. Motion carried. The meeting was adjourned at 7:49 pm.



Chairman - Vanessa Fleisch



Treasurer/Secretary - Terry Ernst