

**CITY OF EUHARLEE
CITY COUNCIL WORK SESSION MINUTES
OCTOBER 15, 2019**

Mayor Steve Worthington called the meeting to order.

City Clerk Carolyn Banks called the roll and the following were present: Mayor Steve Worthington, Council Members Craig Guyton, Tracy Queen, David Duncan, Joe Turner and City Manager James Stephens. City Attorney Boyd Pettit was not present.

NEW BUSINESS

Health Insurance – James Stephens

City Manager James Stephens stated that Parnick Jennings, representative from NFP was available to back him up if council had any questions. He stated, as they were aware the city have used Shaw Hankins in the past as an agent. Recently, they were purchased by NFP with the same staff, professional representatives and the same customer service. They provide great service. Also, if they recall Shaw Hankins shopped out the health insurance a year ago and they by far provided the most cost effective coverage. This year Mr. Jennings worked on the renewals. On page 3 he has given them a summary of the various insurances he shopped out for city's account. He certainly proved due diligence striving to get us the most competitive rate for the most insurance for a city our size could possibly consider.

On page 4, the second column titled current, is the year end totals for November 30th. The annual cost for 17 employees to include one child for the period expiring was \$117,619. You may recall, Mayor Worthington and Tracy Queen were not with them, in 2009 the renewal rate was \$109,000 with 2 less employees at that time. From 2016 to 2018 it increased; the renewal last year with apples to apples comparison also increased to \$132,000. They increased the deductible but the council opted to create a fund to cover the difference between the increased deductible and saved the city \$15,000. To date there were 4 employees that were reimbursed the \$1,500. The total cost came to \$123,000. The next column is the renewal of identical coverage at \$142,000 which is a \$25,000 increase. Mr. Jennings always provide alternatives to include different co pays, specialist and out of pocket cost. Mr. Stephens said when they discussed the cyber coverage, he mentioned he had a 1st run of the budget prepared. As you know some of the funds will be lifted off the budget because there will be SPLOST monies available for equipment over the last 5 years they have not had available. He had a run of the budget that will accommodate the \$142,000 for renewal of the exact insurance they have this year. Mr. Jennings was there to answer any questions to articulate more effectively. Even with the \$25,000 increase he recommended to go with the same coverage. The council may consider not funding the difference in the deductible which was only \$6,000 this year. There are other options with United Healthcare to be as low as \$109,000. Currently, in the city of Euharlee 1 mill of tax generates \$88,000. The difference between recommended \$142,000 and the \$109,000 is about 1/2 mills of tax. He did not want to come across as frivolous and by all means the council has a fiduciary responsibility. He is not thin skinned if they want to discuss some of the other options and would answer any questions.

Council Member David Duncan asked wanted to know the rolled back tax amount.

Mr. Stephens said it was a 1.81 roll back and the difference between the two is less than what was rolled back.

Council Member Tracy Queen said they have an obligation to the citizens of Euharlee but they also have an obligation to the employees. It's a dual obligation and that's how he feels about the cost. Mr. Stephens said that is why he recommended the exact renewal. It certainly protects the employees' from catastrophic financial loss.

Council Member Joe Turner said he agreed with Council Member Queen. He wanted to know how the employees felt about the insurance. Are they satisfied or looking for something the city does not offer. Mr. Stephens said based on the interactions and feedback that he is aware of, as he mentioned; they have 4 employees that met the \$4500 deductible and submitted documentation to be reimbursed the \$1500 and he is one of the four. He is grateful and believe they are too. He said the staff went through a process as part of his due diligence and NFP actually had a company to offer coverage. The employees had to complete a questionnaire and they did so graciously to help the city try to get a more competitive rate. The employees are grateful for the benefits and you continue to pay 100%. There are not many that take family coverage because many of them are covered by other employers and the insurance market that now exist. They realize it is good insurance. Council Member Turner said he would have been happy if he had just said they were satisfied with it.

Council Member Duncan asked if he could meet the \$142,000. Mr. Stephens said yes with some SPLOST funds being freed up. He believed they could do it. Council Member Duncan said if the city has the money, he would prefer to go with the renewal because the deductible is for the employees. The other deductibles are a lot higher. They have to take care of the employees.

Mr. Stephens said if he was in their seats instead of his, he could justify it to the citizens.

Council Member Craig Guyton said one way you can justify, it is one of the key benefits for the employees to have and keeps the employee there. There are other municipalities and in the private sector not offering insurance at all which is one of the things that keep our employees happy and here; happy employees and long term employees is great for the city. He knows it would be easier on the budget if they cut insurance completely and everybody had to go find their own, however it is not a good way to retain employees, the cost to find new employees and training them to do the job the current employees are doing is a lot higher. He asked on the 1st run of budget did he fill in the extra for the deductible they did last year. Mr. Stephens said he currently have it in, but if the council needed that concession. He thinks the employees would prefer this option. The reimbursement has been helpful to the employees.

Council Member Guyton said it is also a cushion for the employees and acknowledge if anything catastrophic goes on it is helpful. When doing the budget he would like to keep that cushion in there to help the employees. It can always be moved to cover other expenses they may have. If not used close to the end of the year you can move the monies.

Council Member Queen asked how much cushion is in the budget. Mr. Stephens said \$1,500 multiplied by 16 employees. Council Member Guyton said \$24,000 built in and we used \$6,000. Mr. Stephens said to the Mayor, he knows they can't vote but he is looking for a consensus so he can confirm with Mr. Jennings which way they want to go.

Mayor Steve Worthington said they are not voting but he is all for it. Council Member Guyton said he would be in favor of what the city manager has recommended plus the extra funds. Mr. Stephens said the Mayor would have a budget at the next meeting.

Parnick Jennings with NFP said it was 42 years the day when he came to Bartow County. He said he meets with every new employee. He is contacted when there is a new employee. The last 4 years he has met with every employee hired. He thinks they come because the benefits are better than they can get somewhere else. Also, the work environment and good work relationships. He said he tries to help and retain good employees. If they don't get treated right or don't have good benefits they are going to leave. They don't have the turnover from years ago. He said the point that Council Member Guyton and Queen made about the \$24,000, the agreement he has with the company that does that. Most places you have to sit the \$24,000 out of your budget in the pot. But he and James worked it that if you do not spend the \$24,000 it is still the city's money. You only spent \$6,000 even though he budgeted the \$24,000. Most companies will make you take \$24,000 and put it in their pockets, they will pay it out and give you the balance at the end. To James credit, when they first discussed it, he worked it out so the only time you are out of pocket is when someone reached that amount. Mr. Jennings said it is a pleasure working with Mr. Stephens and hopes he is always able to do right by the city. He said thank you to the city.

Facility Status Report – James Stephens

James Stephens, City manager said he received late yesterday inspection right-up Mike Cheeks had prepared for him and the council. He did not prepare a copy for council because it was in written form. He has conducted a thorough inspection just as he would for a certificate of occupancy issued on a new building or a home in Euharlee. There are a number of items, with the exception of the roof at the city hall and the roof at the militia court house, a very small building with specialized shingles, everything the city employees can do in the late fall without a lot of money. The roof they discussed earlier in the year and made the decision to get us through for a couple of years. We will have to replace the full roof at city hall and the roof at the militia due to the specialized shingles which he may talk with council about subbing that out. He said, he would type the inspection in legible form and send out to council.

Council Member Tracy Queen asked which employees can do the work for the city.

Mr. Stephens said John Shadder is extremely talented. Between John's talent, Leeroy's talent and expertise, Seth Gobbi and Don Varvel's work ethics, they will utilize them and Don's workers when grass is not growing. Some of them might be able to do the militia courthouse but may be not because it is a delicate building.

Council Member Craig Guyton said he will not be there but would love for him to put on his calendar March 2020 the 1st work session and give them an update so they will have an accountability that the future council will have so they will know they are checking off the boxes and they are not dallying about it.

Council Member David Duncan asked what the inspector had down for the old library. He wanted to talk to Mr. Stephens about the old library. Mr. Stephens said, the old library vinyl siding on the low part of the building is starting to deteriorate and needs to be replaced. Council Member Duncan said they rented it the past weekend and the carpet where the tables and chairs are stored near the drain, something needs to be done. The carpet is tearing up more and more. Mr. Stephens said if you all recall 2 meetings ago they discussed flooring at the commissary. The reason he had not brought back a final cost on that is because, the carpet in the old library has been replaced since he's been there, but the grade of carpet with the low bid, he was going to include a request to allow him to put in a floating floor even though the carpet was just replaced 2 1/2 years ago. He is aware of the spot Council Member Duncan referred to.

Mayor Worthington asked if he wanted to put wood down and it would be better off doing the whole building. Mr. Stephens said it would give a hardwood look and he was talking about doing the whole building.

Council Member Craig Guyton asked how much Mike Cheeks charged to inspect the buildings. Mr. Stephens said his regular inspection price. Council Member Guyton said, maybe on top of that have him come back and do a second inspection in March to see what else he might see more thorough and to see what the check marks are.

Public Comments

James Stephens, City Manager said the city had a tremendous fall festival. The staff did a tremendous job. All the employees were present throughout Saturday. A couple of them had family engagements and had to leave. Eric Smithey drove the tractor all day. The community steering committee put on a pageant which helped the turnout. Marshall Aiken participated and he also helps every Tuesday. Steve Gray helped also. He was so proud of the staff and the volunteers.

Council Member Joe Turner said he learned something last year and the same thing this year. Some will remember we used to hire this out for somebody else to do and they did not come nowhere near what the employees have done. Their dedication is appreciated for what they have done and no way trying to disrespect to the other people. Mr. Stephens said he and the staff learned a little bit. When he first came they still had a coordinator. The staff did not try to reinvent the wheel they took a positive approach to that as well. The staff have good records and files to build on. Mayor Worthington said the police department was awesome all the way around.

Mr. Stephens said they were and they even helped with the hay. The arrangement with the hay this year was a little different. We paid for the hay up front then received a credit when we took it back. It was pending rain on Sunday; the staff, including the police department, helped to get the hay in the dry on Saturday to receive a full refund. You all would have been proud if you would have been there to see them all throwing hay. Mayor Worthington said he was proud all the way around. Council Member David Duncan said it was a good event.

Council Member Craig Guyton motioned to adjourn. Council Member Joe Turner seconded the motion. The motion was carried with Council Members Guyton, Queen, Duncan, Turner and Mayor Worthington all voting in favor.

With no further discussion the meeting adjourned at 8:36 pm.