

MINUTES FOR BOARD OF ALDERMEN MEETING
February 22nd, 2011 – Special Meeting
6:00 PM

The following elected officials were present: Mayor Coleman, Alderman Beaty, Alderman Friday, Alderman Huggins, Alderman Martin, and Alderman Withers.

The following staff members were present: Ed Munn, Interim Town Manager; Maria Stroupe, Administrative Services Director; Doug Huffman, Electric Director; Gary Buckner, Police Chief; Bill Trudnak, Public Works Director.

The Mayor called the meeting to order at 6:01 pm.

Mayor Coleman opened with the Invocation and the Pledge of Allegiance to the Flag.

The first item, Item 1, was a presentation of the proposals for employee healthcare. The Town has received proposals from BCBS of NC, UnitedHealthcare, and WellPath for the healthcare plans for employees. The renewal date is April 1, 2011. BCBS is the current healthcare carrier. After receiving a 34% renewal increase from BCBS, Penley and Associates began shopping for other healthcare carriers for the Town. UnitedHealthcare has presented the best plans and rate structures for the Town and the employees. Bud Penley and Becky Messick, of Penley and Associates, were present to answer any questions from the Board. Staff recommended offering a base plan (United S1N-P) to employees with an option to buy up (United S1E-P). (Exhibits A, B, and C) This is the most cost effective method for employees and the Town, yet allows employees a choice of their coverage and costs. Mr. Beaty made a motion to approve the healthcare plans proposed by Staff, seconded by Mr. Huggins, and carried unanimously.

The second item, Item 2, was a report from Mr. Munn concerning additional expenditures recommended for the 2010/11 budget. At the work session on February 10th, the Board requested that additional expenditures that need to be made in this fiscal year's budget, if there were funds available, be identified. If possible, these expenditures could be made now rather than waiting to make an appropriation in the 2011/2012 budget. At this time, Staff is reviewing revenues and expenditures for the remainder of this fiscal year to be sure that funds are available to approve the additional items. A full report will be made when all of the figures have been reviewed.

The third item, Item 3, was a progress report on the Police Department Project. The new building is fully underway. The first progress payment has been made and the grading work is almost finished. New sewer lines and water lines have been installed. The footing and foundation work began this week. A budget to actual report was included to show expenditures to date on the project. (Exhibit D)

Mr. Friday made a motion to adjourn, seconded by Mr. Withers, and carried unanimously.
(7:29)

Rick Coleman, Mayor

Maria Stroupe, Town Clerk

EXHIBIT A

2011 Proposed Healthcare Costs with Renewal Options

	BCBS Current Plan	No. of Emp	Employee Cost	Emp. Cost Monthly	Town Cost	Town Cost Monthly	Total Cost Monthly
Employee	\$384.37	32	\$0.00	\$0.00	\$384.37	\$12,299.84	\$12,299.84
Emp/Sp	\$915.27	10	\$265.45	\$2,654.50	\$649.82	\$6,498.20	\$9,152.70
Emp/Chld	\$766.65	7	\$191.14	\$1,337.98	\$575.51	\$4,028.57	\$5,366.55
Emp/Fam	\$1,230.12	5	\$422.88	\$2,114.38	\$807.25	\$4,036.23	\$6,150.60
Monthly Costs				<u>\$6,106.86</u>		\$26,862.84	\$32,969.69

	BCBS Same Plan	No. of Emp	Employee Cost	Emp. Cost Monthly	Town Cost	Town Cost Monthly	Total Cost Monthly
Employee	\$515.92	32	\$0.00	\$0.00	\$515.92	\$16,509.44	\$16,509.44
Emp/Sp	\$1,228.45	10	\$356.27	\$3,562.65	\$872.19	\$8,721.85	\$12,284.50
Emp/Chld	\$1,029.31	7	\$256.70	\$1,796.87	\$772.62	\$5,408.31	\$7,205.17
Emp/Fam	\$1,651.01	5	\$567.55	\$2,837.73	\$1,083.47	\$5,417.33	\$8,255.05
Monthly Costs				<u>\$8,197.24</u>		\$36,056.92	\$44,254.16
					% Difference		34.23%

	United S1N-P Plan	No. of Emp	Employee Cost	Employee Monthly Cost	Town Cost	Town Monthly Cost	Total Monthly Cost
Employee	\$408.28	32	\$0.00	\$0.00	\$408.28	\$13,064.96	\$13,064.96
Emp/Sp	\$972.21	10	\$281.97	\$2,819.65	\$690.25	\$6,902.45	\$9,722.10
Emp/Chld	\$814.35	7	\$203.04	\$1,421.25	\$611.32	\$4,279.21	\$5,700.45
Emp/Fam	\$1,306.65	5	\$449.19	\$2,245.93	\$857.47	\$4,287.33	\$6,533.25
Monthly Costs				<u>\$6,486.82</u>		\$28,533.94	\$35,020.76
					% Difference		6.22%

	United 2RH-P Plan	No. of Emp	Employee Cost	Employee Monthly Cost	Town Cost	Town Monthly Cost	Total Monthly Cost
Employee	\$409.13	32	\$0.00	\$0.00	\$409.13	\$13,092.16	\$13,092.16
Emp/Sp	\$974.22	10	\$282.55	\$2,825.45	\$691.68	\$6,916.75	\$9,742.20
Emp/Chld	\$816.03	7	\$203.45	\$1,424.15	\$612.58	\$4,288.06	\$5,712.21
Emp/Fam	\$1,309.35	5	\$450.11	\$2,250.55	\$859.24	\$4,296.20	\$6,546.75
Monthly Costs				<u>\$6,500.15</u>		\$28,593.17	\$35,093.32
					% Difference		6.44%

	United S1E-P Plan	No. of Emp	Employee Cost	Employee Monthly Cost	Town Cost	Town Monthly Cost	Total Monthly Cost
Employee	\$448.18	32	\$0.00	\$0.00	\$448.18	\$14,341.76	\$14,341.76
Emp/Sp	\$1,067.21	10	\$309.52	\$3,095.15	\$757.70	\$7,576.95	\$10,672.10
Emp/Chld	\$893.91	7	\$222.87	\$1,560.06	\$671.05	\$4,697.32	\$6,257.37
Emp/Fam	\$1,434.32	5	\$493.07	\$2,465.35	\$941.25	\$4,706.25	\$7,171.60
Monthly Costs				<u>\$7,120.56</u>		\$31,322.28	\$38,442.83
					% Difference		16.60%

	WellPath Option B	No. of Emp	Employee Cost	Empl. Cost Monthly	Town Cost	Town Cost Monthly	Total Cost Monthly
Employee	\$450.08	32	\$0.00	\$0.00	\$450.08	\$14,402.56	\$14,402.56
Emp/Sp	\$1,071.75	10	\$310.84	\$3,108.35	\$760.92	\$7,609.15	\$10,717.50
Emp/Chld	\$897.72	7	\$223.82	\$1,566.74	\$673.90	\$4,717.30	\$6,284.04
Emp/Fam	\$1,440.42	5	\$495.17	\$2,475.85	\$945.25	\$4,726.25	\$7,202.10
Monthly Costs				<u>\$7,150.94</u>		\$31,455.26	\$38,606.20
					% Difference		17.10%

2011 Proposed Healthcare Bi-Weekly Premiums

	Current Plan	United S1N-P Base Plan	United S1E-P Buy-Up Plan	United 2RH-P Edge Plan	WellPath Option B	BCBS Renewal Plan
Employee	\$0.00	\$0.00	\$19.95	\$0.00	\$0.00	\$0.00
Emp/Spouse	\$132.73	\$140.98	\$188.48	\$141.27	\$155.42	\$178.13
Emp/Child	\$95.57	\$101.52	\$141.30	\$101.73	\$111.91	\$128.35
Emp/Fam	\$211.44	\$224.59	\$288.43	\$225.06	\$247.59	\$283.77

2011 Proposed Healthcare Options Comparison

<u>PLAN</u>	<u>BCBS CURRENT PLAN</u>	<u>BCBS SAME PLAN</u>	<u>UNITED S1N-P Proposed</u>	<u>UNITED S1E-P Proposed</u>	<u>UNITED 2RH-P Proposed</u>	<u>WellPath Option B Proposed</u>
<u>BASIC BENEFITS</u>						
Deductible-Individual	\$1,000	\$1,000	\$3,500	\$1,000	\$1,500	\$1,500
Deductible-Family	\$2,000	\$2,000	\$7,000	\$2,000	\$4,500	\$3,000
Co-Insurance	20%	20%	0%	20%	0%/20%	40%
Co-Insurance Max	\$2,000	\$2,000	N/A	\$2,000	\$1,500	\$2,500
Out-of-Pocket Max	\$3,000	\$3,000	\$3,500	\$3,000	\$3,000	\$4,000
Lifetime Maximum	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited
<u>100% BENEFITS AFTER COPAY</u>						
Primary Care Physician Copay	\$20	\$20	\$25	\$25	\$30	\$15
Specialist Copay	Ded/Co-Ins.	Ded/Co-Ins.	\$50	\$50	\$30	Ded/Co-Ins.
ER Copay	Ded/Co-Ins.	Ded/Co-Ins.	\$150	\$150	\$250	Ded/Co-Ins.
Urgent Care Facility Copay	Ded/Co-Ins.	Ded/Co-Ins.	\$75	\$75	\$100	Ded/Co-Ins.
Chiropractic Visit Copay	Ded/Co-Ins.	Ded/Co-Ins.	\$25	\$25	\$30	Ded/Co-Ins.
<u>COINSURANCE BENEFITS</u>						
InPatient Hospital Copay/ Annual Ded.	\$250/\$1000	\$250/\$1000	\$3,500	\$1,000	\$500/\$1500	\$250/\$1500
Coinsurance	0%	0%	0%	20%	0%	20%
OutPatient Facility Copay /Annual Ded.	Ded/Co-Ins.	Ded/Co-Ins.	\$3,500	\$1,000	\$1,500	Ded/Co-Ins.
Coinsurance	20%	20%	0%	20%	0%/20%	20%
<u>MENTAL HEALTH/SUBS. ABUSE BENEFIT</u>						
InPatient Copay OR Annual Deductible	\$250/\$1000	\$250/\$1000	\$3,500	\$1,000	\$1,500	\$250/\$1500
InPatient Coinsurance After Copay/Ded	0%	0%	0%	20%	0%	0%
Office Copay	Ded/Co-Ins.	Ded/Co-Ins.	\$50	\$50	Ded/Co-Ins.	Ded/Co-Ins.
<u>PRESCRIPTION DRUG BENEFITS</u>						
Generic Copay (Tier 1)	\$10	\$10	\$10	\$10	\$15	\$15
Preferred Brand Name Copay (Tier 2)	\$30	\$30	\$35	\$35	\$45	\$30
Brand Copay (Tier 3)	\$45	\$45	\$60	\$60	\$85	\$55
Specialty Brand (Tier 4)	25% Copay	25% Copay			\$200	90% Copay
<u>VISION BENEFITS</u>						
Exam Copay	\$20	\$20	\$25	\$25	\$30	
Month Between Exam Period	12	12	24	24	24	
<u>PREMIUMS</u>						
Employee Only	\$384.37	\$515.92	\$408.28	\$448.18	\$409.13	\$450.08
Employee/Spouse	\$915.27	\$1,228.45	\$972.21	\$1,067.21	\$974.22	\$1,071.75
Employee/Children	\$766.65	\$1,029.31	\$814.35	\$893.91	\$816.03	\$897.72
Employee/Family	\$1,230.12	\$1,651.01	\$1,306.65	\$1,434.32	\$1,309.35	\$1,440.42
PERCENT CHANGE						
		34.23%	6.22%	16.60%	6.44%	17.10%
IMPACT TO TOWN BUDGET						
		\$110,328.96	\$20,053.20	\$53,513.28	\$20,763.96	\$55,109.04

Police Department Project Fund
Budget to Actual Expenditures

Account Number	Account Description	Budget	Actual	Variance
12-5100-0400	Professional Services			
	Architect	\$9,000.00	\$1,848.41	\$7,151.59
	Materials Testing	\$1,000.00	\$400.00	\$600.00
12-5100-3500	Furnishings	\$15,000.00		\$15,000.00
12-5100-7400	Capital Outlay: Equipment			
	Equipment	\$10,000.00		\$10,000.00
	Appliances & Cabinets	\$3,000.00		\$3,000.00
	Signage	\$2,000.00		\$2,000.00
12-5100-7500	Capital Outlay: Building			
	Construction	\$439,430.00	\$19,380.00	\$420,050.00
	IT Equipment & Materials	\$20,500.00		\$20,500.00
		\$499,930.00	\$21,628.41	\$478,301.59