

August 23, 2016
Employee Benefits Trust
Meeting



AGENDA
CITY OF DICKINSON
EMPLOYEE BENEFITS TRUST
SPECIAL MEETING

August 23, 2016

NOTICE is hereby given of a **SPECIAL MEETING** of the City of Dickinson Employee Benefits Trust to be held **Tuesday, August 23, 2016**, at **7:00 p.m.**, at the City of Dickinson City Hall, 4403 Highway 3, Dickinson, Texas, for the purpose of considering the following agenda items. The City of Dickinson Employee Benefits Trust reserves the right to retire into Executive Session concerning any of the agenda items whenever it is considered necessary and legally justified pursuant to Texas Government Code, Chapter 551.

- ITEM 1.) CALL TO ORDER AND CERTIFICATION OF A QUORUM**
- ITEM 2.) CONSIDERATION AND POSSIBLE ACTION CONCERNING:** Re-Designating and Re-Authorizing The Annual Auditors For The City Of Dickinson To Conduct An Audit For The City Of Dickinson Employee Benefit Trust At Such Time As The Audit For The City of Dickinson Is Conducted.
- ITEM 3.) CONSIDERATION AND POSSIBLE ACTION CONCERNING:** Accepting The Renewal Offer From Blue Cross Blue Shield For Employee Medical And Pharmacy Insurance.
- ITEM 4.) CONSIDERATION AND POSSIBLE ACTION CONCERNING:** Accepting The Renewal Offer From Guardian For Employee Dental Insurance.
- ITEM 5.) CONSIDERATION AND POSSIBLE ACTION CONCERNING:** Accepting The Renewal Offer From Guardian For Life Insurance.
- ITEM 6.) CONSIDERATION AND POSSIBLE ACTION CONCERNING:** Accepting The Renewal Offer From Humana Comp Benefits For Vision Insurance.
- ITEM 7.) CONSIDERATION AND POSSIBLE ACTION CONCERNING:** Accepting The Renewal Offer From Standard Insurance For Long-Term Disability Insurance.
- ITEM 8.) ADJOURN**

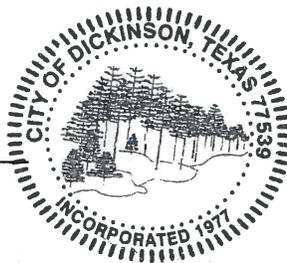
CERTIFICATION

This is to certify that a copy of the Notice of the City of Dickinson Employee Benefits Trust Special Meeting for **TUESDAY, August 23, 2016**, was posted on the bulletin board

at Dickinson City Hall, 4403 Highway 3, Dickinson, Texas, on this 16th day of August, 2016, prior to 6:00 p.m.

Alun W. Thomas

Alun W. Thomas, City Secretary



In compliance with the Americans with Disabilities Act, the City of Dickinson will provide reasonable accommodations for disabled persons attending City of Dickinson Employee Benefits Trust Meetings. Requests should be received at least 24 hours prior to the scheduled meeting, by contacting the City Secretary's office at 281-337-6217, or by FAX at 281-337-6190.

City of Dickinson
EMPLOYEE BENEFITS TRUST

CALL TO ORDER:

**CITY OF DICKINSON, TEXAS
EMPLOYEE BENEFIT TRUST MEETING
ATTENDANCE LIST**

**MEETING DATE: August 23, 2016
Special Meeting**

<u>MAYOR/COUNCIL</u>	<u>PRESENT</u>	<u>ABSENT</u>
MAYOR JULIE MASTERS	_____	_____
POS. 1: COUNCILMAN CHARLES SUDERMAN	_____	_____
POS. 2: COUNCILMAN BRUCE HENDERSON	_____	_____
POS. 3: COUNCILMAN WALTER WILSON	_____	_____
POS. 4: COUNCILMAN WALLY DEATS	_____	_____
POS. 5: COUNCILMAN LOUIS DECKER	_____	_____
POS. 6: COUNCILMAN WILLIAM KING	_____	_____
<u>MAKE NOTE ON RECORDING: THE FOLLOWING ALSO ARE IN ATTENDANCE:</u>		
CITY ATTORNEY, David W. Olson	_____	_____
CITY ADMINISTRATOR, Julie M. Robinson	_____	_____
CITY SECRETARY, Alun W. Thomas	_____	_____
ADMINISTRATIVE SRVCS MGR, Stephanie Russell	_____	_____
_____	_____	_____

**City Of Dickinson Employee Benefit Trust
Agenda Item Data Sheet**

MEETING DATE August 23, 2016

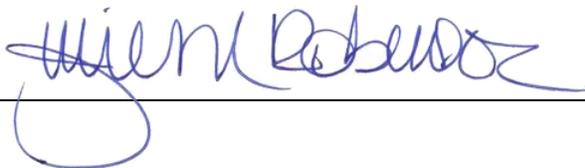
TOPIC:	Re-Designating and Re-Authorizing The Annual Auditors For The City Of Dickinson To Conduct An Audit For The City Of Dickinson Employee Benefit Trust At Such Time As The Audit For The City Of Dickinson Is Conducted.
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BACKGROUND:	The City of Dickinson has designated Belt, Harris Pechacek LLLP to serve as its auditor to audit the City's financial statements for Fiscal Years ending 2012 through 2016.
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RECOMMENDATION:	It is recommended that the Employee Benefit Trust re-designate and re-authorize the annual auditors for the City of Dickinson, Belt Harris Pechacek, LLLP, to conduct an audit for the City of Dickinson Employee Benefit Trust at such time as the audit for the City Of Dickinson is conducted.
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ATTACHMENTS:	• NA
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FUNDING ISSUES	<input checked="" type="checkbox"/> Not applicable <input type="checkbox"/> Not budgeted <input type="checkbox"/> Full Amount already budgeted. <input type="checkbox"/> Funds to be transferred from Acct.# - -
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SUBMITTING STAFF MEMBER	CITY ADMINISTRATOR APPROVAL
Stephanie Russell, Administrative Services Manager	

ACTIONS TAKEN		
APPROVAL	READINGS PASSED	OTHER
<input type="checkbox"/> YES <input type="checkbox"/> NO	<input type="checkbox"/> 1 st <input type="checkbox"/> 2 nd <input type="checkbox"/> 3 rd	

**City Of Dickinson Employee Benefit Trust
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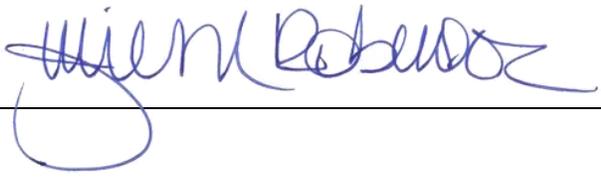
TOPIC:	Accepting The Renewal Offer From BlueCross BlueShield For Employee Medical And Pharmacy Insurance.
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BACKGROUND:	<p>As discussed in the July 12 Workshop, the City received a renewal from BlueCross BlueShield starting at an increase of 25%. The City currently has what may be considered a “Gold Standard Plan” which, as rates continue to rise, is no longer sustainable.</p> <p>Based on this proposal, staff proposes offering three plans for employees to choose from:</p> <ol style="list-style-type: none"> 1. New Standard Plan – 13% increase – City pays 100% of employee and 15% of dependent premiums 2. Buy-Up Plan – 19% increase – Employee pays the difference in premiums from Standard Plan 3. High Deductible Plan with Health Savings Account (“HSA”) – 18.6% reduction – City pays difference in premiums towards HSA contributions <p>A breakdown of each plan and the current plan is attached.</p> <p>Staff recommends renewing the group fully insured contract with BlueCross BlueShield of Texas for the 2016/2017 Plan Year contract effective October 1, 2016.</p>
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RECOMMENDATION:	Staff recommends that the Board accept the Renewal Offer From Blue Cross Blue Shield For Employee Medical And Pharmacy Insurance for Plan year 2016/2017, effective October 1, 2016.
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ATTACHMENTS:	<ul style="list-style-type: none"> • 2016/2017 BlueCross BlueShield Renewal Rates
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FUNDING ISSUES	<input type="checkbox"/> Not applicable <input type="checkbox"/> Not budgeted <input checked="" type="checkbox"/> Full Amount already budgeted. <input type="checkbox"/> Funds to be transferred from Acct.# - -
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SUBMITTING STAFF MEMBER	CITY ADMINISTRATOR APPROVAL
Stephanie Russell, Administrative Services Manager	

ACTIONS TAKEN		
APPROVAL <input type="checkbox"/> YES <input type="checkbox"/> NO	READINGS PASSED <input type="checkbox"/> 1 st <input type="checkbox"/> 2 nd <input type="checkbox"/> 3 rd	OTHER

2016/2017 BlueCross BlueShield Renewal Rates

	Employee Only	Employee +Children	Employee +Spouse	Employee +Family
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2015/2016 Plan & Renewal Rate

Current Plan - \$750/\$2250 Deductible, \$20/\$45 Copays, \$15/\$30/\$45 Pharmacy

Current Monthly Premium	546.01	1,036.20	1,221.73	1,711.91
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Proposed Renewal on Current Plan - 25% Increase

Monthly Premium	682.51	1,295.25	1,527.16	2,139.89
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Proposed 2016/2017 Plans - 3 Options

Option 1: Standard Plan - MM16 (13% Increase)

\$1,500/\$4,500 Deductible, \$30/\$55 Copays, \$20/\$35/\$50 Pharmacy

Monthly Premium	616.11	1,169.23	1,378.58	1,931.70
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City Contribution to Premium	616.11	699.08	730.48	813.45
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Employee Pays	-	470.15	648.10	1,118.25
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Option 2: Buy-Up Plan - MM09 Plan (19% Increase)

\$1,000/\$3,000 Deductible, \$25/\$50 Copays, \$20/\$35/\$50 Pharmacy

Monthly Premium	649.70	1,232.98	1,453.73	2,037.00
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City Contribution to Premium	616.11	699.08	730.48	813.45
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Employee Pays	33.59	533.90	723.25	1,223.55
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Option 3: High-Deductible Plan w/HSA - MMH8 Plan (18.6% Decrease)

\$4,000/\$8,000 Deductible, No Copays, City Makes HSA Contributions

Monthly Premium	444.65	843.84	994.94	1,394.13
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City Contribution to Premium	444.65	527.62	559.02	641.99
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Employee Pays	-	316.22	435.92	752.14
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City HSA Contribution	171.46	171.46	171.46	171.46
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Total City Contribution	616.11	699.08	730.48	813.45
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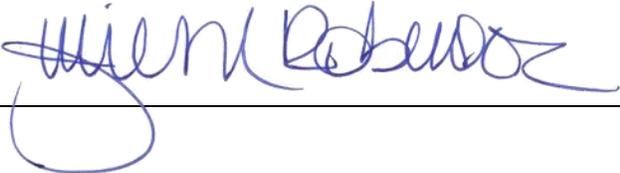
TOPIC:	Accepting The Renewal Offer From Guardian For Employee Dental Insurance.
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BACKGROUND:	On behalf of the FWD Interlocal Group, Arthur J. Gallagher & Co. negotiated the City's renewal for Group Dental to a 5% increase on premiums. It is recommended to award the Plan Year 2016/2017 Group Dental to the current carrier, Guardian Life.
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RECOMMENDATION:	Accept Renewal Offer From Guardian For Employee Dental Insurance.
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ATTACHMENTS:	<ul style="list-style-type: none"> • Renewal Premiums At-a-Glance
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FUNDING ISSUES	<input type="checkbox"/> Not applicable <input type="checkbox"/> Not budgeted <input checked="" type="checkbox"/> Full Amount already budgeted. <input type="checkbox"/> Funds to be transferred from Acct.# - -
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SUBMITTING STAFF MEMBER	CITY ADMINISTRATOR APPROVAL
Stephanie Russell, Administrative Services Manager	

ACTIONS TAKEN		
APPROVAL	READINGS PASSED	OTHER
<input type="checkbox"/> YES <input type="checkbox"/> NO	<input type="checkbox"/> 1 st <input type="checkbox"/> 2 nd <input type="checkbox"/> 3 rd	

Renewal Premiums At-a-Glance

EMPLOYER-SPONSORED COVERAGE		
Coverage	Current Annual	Renewal Annual
Dental	\$395,192	\$414,954
DHMO	\$5,032	\$5,032
Basic Life	\$53,927	\$53,927
AD&D	\$4,664	\$4,664
TOTAL	\$458,815	\$478,577

KEY POINTS OF INFORMATION REGARDING PLAN PRICING

Premiums shown above reflect a multi-line discount. If you do not wish to renew all lines of coverage, please contact us for revised pricing.

Product-specific rates shown in this package have been determined based on a number of factors, including:

- Employee age and gender
- Group location
- Changes in group size
- Claims experience (when applicable)

EMPLOYEE-PAID VOLUNTARY COVERAGE		
Coverage	Current Annual	Renewal Annual
Voluntary Life	\$10,693	\$10,693

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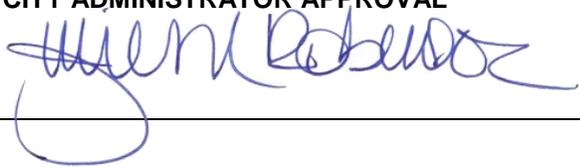
TOPIC: Accepting The Renewal Offer From Guardian For Life Insurance.

BACKGROUND: On behalf of the FWD Interlocal Group, Arthur J. Gallagher & Co. negotiated the City's renewal for Life Insurance to a 5% increase on premiums. It is recommended to award the Plan Year 2016/2017 Life Insurance contract to the current carrier, Guardian Life.

RECOMMENDATION: Accept Renewal Offer From Guardian For Life Insurance.

ATTACHMENTS: • Renewal Premiums At-a-Glance

FUNDING ISSUES Not applicable
 Not budgeted
 Full Amount already budgeted.
 Funds to be transferred from Acct.# - -

SUBMITTING STAFF MEMBER Stephanie Russell, Administrative Services Manager	CITY ADMINISTRATOR APPROVAL 
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ACTIONS TAKEN		
APPROVAL <input type="checkbox"/> YES <input type="checkbox"/> NO	READINGS PASSED <input type="checkbox"/> 1 st <input type="checkbox"/> 2 nd <input type="checkbox"/> 3 rd	OTHER

Renewal Premiums At-a-Glance

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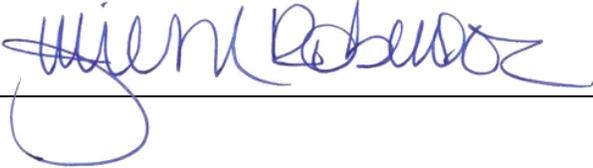
TOPIC:	Accepting The Renewal Offer From Humana Comp Benefits For Vision Insurance.
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BACKGROUND:	The City's premium rate for Group Vision with Humana is proposed to remain the same in Plan Year 2016/2017. It is recommended to renew the current policy direct with Humana.
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RECOMMENDATION:	Accept Renewal Offer From Humana Comp Benefits For Vision Insurance.
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ATTACHMENTS:	<ul style="list-style-type: none"> • Renewal offer from Humana
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FUNDING ISSUES	<input type="checkbox"/> Not applicable <input type="checkbox"/> Not budgeted <input checked="" type="checkbox"/> Full Amount already budgeted. <input type="checkbox"/> Funds to be transferred from Acct.# - -
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SUBMITTING STAFF MEMBER	CITY ADMINISTRATOR APPROVAL
Stephanie Russell, Administrative Services Manager	

ACTIONS TAKEN		
APPROVAL	READINGS PASSED	OTHER
<input type="checkbox"/> YES <input type="checkbox"/> NO	<input type="checkbox"/> 1 st <input type="checkbox"/> 2 nd <input type="checkbox"/> 3 rd	

HUMANA.

CompBenefits

1100 Employers Blvd
Green Bay, WI 54344
www.humana.com
1-800-327-9728

ECFA
JUL 25 2016

July 21, 2016

CITY OF DICKINSON -- Group #VS4805
Attn: Vernon Thompson
4403 Hwy 3
Dickinson, TX 77539

Dear Group Benefits Administrator:

Thank you for allowing Humana Specialty Benefits/CompBenefits the opportunity to provide our vision plan as part of your employee benefits package. It is our pleasure to provide you with the renewal of your vision plan effective October 1, 2016. Our goal is to ensure that you experience the highest quality service and benefits.

Your renewal rates for the next benefit period are as follows:
Renewal Date and Rate Guarantee Period: 10/1/2016 - 9/30/2018

	<u>Current Monthly Rates</u>	<u>Renewal Monthly Rates</u>
Employee Only	\$7.42	\$7.42
Employee + Family	\$19.38	\$19.38

Your plan will automatically renew thereafter for consecutive twenty-four (24) month periods unless terminated by either party with written notice provided sixty (60) days prior to the plan anniversary date.

We are also pleased to announce an enhancement to the current Lasik benefit available to your employees. For information on our new TruVision Advantage Program, please visit our website at tlcvision.com or call 888-358-3937.

Please feel free to contact either our office or your agent should you have any questions. We appreciate your business.

Sincerely,

Your Humana Underwriting Consultant
HUMANA/CompBenefits

<cc> <Agent>

Notice: Every policy marketed, issued or delivered to a California resident, regardless of where the policy is issued, must provide equal coverage to domestic partners as provided to spouses.

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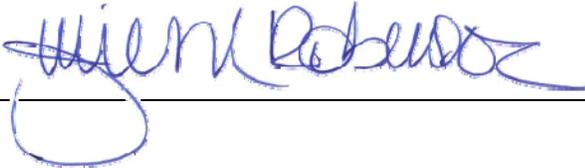
TOPIC:	Accepting The Renewal Offer From Standard Insurance For Long-Term Disability Insurance.
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BACKGROUND:	The City's premium rate for Long-Term Disability Insurance with Standard Insurance is proposed to remain the same in Plan Year 2016/2017. It is recommended to renew the current policy direct with Standard Insurance.
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RECOMMENDATION:	Accept Renewal Offer From Standard Insurance For Long-Term Disability Insurance.
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ATTACHMENTS:	<ul style="list-style-type: none"> Proposed Renewal from Standard Insurance Company
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FUNDING ISSUES	<input type="checkbox"/> Not applicable <input type="checkbox"/> Not budgeted <input checked="" type="checkbox"/> Full Amount already budgeted. <input type="checkbox"/> Funds to be transferred from Acct.# - -
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SUBMITTING STAFF MEMBER	CITY ADMINISTRATOR APPROVAL
Stephanie Russell, Administrative Services Manager	

ACTIONS TAKEN		
APPROVAL	READINGS PASSED	OTHER
<input type="checkbox"/> YES <input type="checkbox"/> NO	<input type="checkbox"/> 1 st <input type="checkbox"/> 2 nd <input type="checkbox"/> 3 rd	



August 16, 2016

City of Dickinson, Texas
Attn: Benefits Manager
4403 HWY 3
Dickinson TX 77539

Group Number 643843

Thank you for allowing Standard Insurance Company to provide quality products to support your employees' insurance needs. We are pleased to renew your policy with continued coverage and services.

We have carefully reviewed the current composition of your organization, evaluating age, occupation, gender and salary of your insured employees. Based upon this review and application of rate factors appropriate for your industry classification, we are renewing your policy at existing premium rates as indicated in the chart below. These rates are guaranteed until October 1, 2018.

Product & Services	Through 09/30/16	Effective 10/01/16
LTD	0.57 Percent of Insured Earnings	0.57 Percent of Insured Earnings
Employee Assistance Program	Included in Rates for LTD	Included in Rates for LTD

If you have any questions about your rates or our review process, the Houston Employee Benefits Sales and Service Office at (281) 517-5463 is available to serve your needs. We value your business and welcome the opportunity to provide continued assistance to you.

Sincerely yours,

Edison D. Vance | Underwriter
The Standard
920 SW Sixth Avenue | Portland, OR 97205
Phone 971.321.4562
eddie.vance@standard.com

ADJOURN

TIME: _____

MOTION: _____

SECOND: _____

VOTE _____