



**Benbrook Water Authority  
Board of Directors Meeting  
September 1, 2020 at 3:00 p.m.  
1121 Mercedes Street  
Benbrook, TX 76126**

1. Call To Order
2. Invocation
3. Citizen Comment On Any Agenda Item
4. Consent Agenda
  - Items listed under Consent Agenda are considered routine and are enacted under one motion. The exception to this rule is that a Board Member, Citizen or General Manager may request one or more items to be removed from the Consent Agenda for separate discussion and action.
  - 4.I. Minutes Of The Regular Meeting August 4, 2020
  - 4.II. Financial Statement For July 2020
5. Citizen Presentation
  1. Charles S. Gaither
6. Reports Of Manager
  1. 2011 Bond Refunding Opportunity
  2. BWA Office Hours
  3. Basin 1 Sanitary Sewer Renewals (Mont Del)
  4. Leak Adjustment Policy Review
  5. BWA Logo
7. Reports Of Sledge Law Group PLLC
  - Receive advice from Legal Counsel regarding Bylaws of the Board of Directors
8. New Business
  - 8.I. Consider, Discuss And Possibly Approve Employee Group Medical Insurance Renewal

Documents:

[JULY 2020 FINANCIAL SUMMARY \(003\).PDF](#)

Documents:

[MEDICAL RENEWAL STAFF REPORT.PDF](#)

- 8.II. Consider, Discuss And Possibly Approve BWA Group Dental, Vision, Short Term

## Disability And Long Term Disability Renewal

Documents:

[DENTAL VISION RENEWAL STAFF REPORT.PDF](#)

### 9. Public Comment

All persons wishing to provide public comment should complete a public comment information form and submit it to the General Manager before the meeting.

Documents:

[PUBLIC COMMENT FORM.PDF](#)

### 10. Director / Staff Comment

Announcements from Board Members and / or Staff; there will be no discussion or formal action taken on these items.

### 11. Executive Session

Conduct Closed Executive Session Pursuant to Government Code Section 551.071, to consult with the BWA Attorney Regarding Pending or Contemplated Litigation, Settlement Offers, or on Matters in Which the Duty of the Attorney to the BWA under the Texas Disciplinary rules of Professional Conduct Clearly Conflicts with Chapter 551 Government Code.

Any other item set forth in any section of this notice / agenda

Section 551.072, to discuss real estate / real property transaction

### 12. Re-Convene In Open Meeting

Take any Action Necessary from Executive Session

### 13. Adjournment

13.I. Next Regular Meeting Scheduled For September 15, 2020

### 14. Work Session

1. Discussion of current / future agenda items
2. BWA Logo

This facility is wheelchair accessible. For accommodations or to inform us of inaccessibility to this meeting, please call 817-249-1250 for assistance. For sign interpretative services, please call 48 hours in advance.



# July 2020 Financial Summary

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## Financial Statement for July 2020

1. Total Operating Revenues	\$1,208,021
2. Total Operating Expenditures	<u>\$1,089,022</u>
3. Monthly Operating Net	\$118,999

## Year to Date (YTD) Financial Statement

1. Total Operating Revenues	\$6,221,202
2. Total Operating Expenditures	<u>\$6,514,808</u>
3. YTD Operating Net	(\$293,606)

## Consolidate Cash Summary

### Restricted & Unrestricted Cash – Non-bond Fund Accounts

1. Beginning Balance	\$9,547,034
2. Ending Balance	\$9,798,683

### Bond Funds

1. Beginning Balance	\$11,454,842
2. Ending Balance	\$11,230,176

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# Staff Report

**Meeting Date**

September 1, 2020

**New Business Item #1**

## Subject

BWA Employee Group Medical Insurance Renewal

## Recommendation

Staff recommends accepting the renewal proposal from UHC for the 2020-2021 plan year, with the Copay plan (AVXE) and the HSA plan (AE05), and maintain HSA contribution rates of \$1,200 annually for Employee Only coverage, \$2,400 for Employee & Spouse/Employee & Children coverage, and \$3,600 for Employee & Family coverage.

## Background

BWA currently offers two (2) medical plans, both through United Healthcare (UHC). The first plan is a Copay plan. This plan has a \$3,000 individual deductible (\$9,000 family deductible), after which the plan pays 100% of eligible expenses. The individual maximum out-of-pocket cost on this plan is \$4,000 (\$12,000 for families). There are no out-of-network benefits. Copays on this plan are \$35 for a primary care physician office visit; \$70 for a specialist office visit; \$50 for urgent care; and \$300 for ER facility. ER services are subject to deductible. Major diagnostic exams have a \$400 copay. Prescription copays are \$20/\$45/\$80, depending on the type of medication. Some specialty drugs have copays of \$100 or \$300. Copays do not count toward deductible amounts but do count toward maximum out-of-pocket expenses.

The second plan is a Health Savings Account (HSA) plan. This plan has an individual deductible of \$5,000 (\$10,000 for families), after which the plan pays 100% of eligible expenses. The individual maximum out-of-pocket cost on this plan is \$6,000 (\$12,000 for families). There are no out-of-network benefits on this plan. Since this is an HSA plan there are no copays. All costs paid by the employee go toward the deductible, including costs for prescriptions. BWA contributes to the HSA for employees on this plan. The current annual contributions are \$1,200 for Employee Only coverage, \$2,400 for Employee and Children/Employee and Spouse coverage, and \$3,600 for Employee and Family Coverage. The Authority's HSA contributions are based upon 50% of the difference between the Copay plan premium and the HSA plan premium. Employees can also contribute to their HSA, subject to contribution limits set by the IRS each year.

Current premiums for the plans are:

Coverage Type	UHC Copay Plan Premium	UHC HSA Premium
EE	\$925.51	\$720.16
ES	\$1,851.02	\$1,440.32
EC	\$1,851.02	\$1,440.32
FAM	\$2,776.53	\$2,160.48

## UHC Renewal

UHC's renewal for our current Copay plan reflects a 0.2% decrease in premiums (\$1,015 annually) with no change in benefits. The renewal for our current HSA plan reflects an increase of 1.8% (\$1,790 annually) with no change in benefits. The overall premium cost increase to BWA for both plans is approximately \$775 annually.

Coverage Type	UHC Copay Plan Renewal Premium	UHC HSA Renewal Premium
EE	\$923.72	\$733.42
ES	\$1,847.44	\$1,466.84
EC	\$1,847.44	\$1,466.84
FAM	\$2,771.16	\$2,200.26

UHC did include a few alternative plans in its renewal. However, most would result in a significant reduction in benefits with a very small reduction in premium costs.

Employee satisfaction with UHC and our current medical plans is high. The UHC network of doctors and facilities is extensive, giving employees multiple options for care. UHC continues to pay claims in a timely manner and is responsive to questions about coverage and claims.

## Proposals from Other Carriers

BWA advertised for proposals from other carriers on July 17, July 23, and July 30. Proposals were due on July 31. Proposals were received Aetna, Blue Cross Blue Shield (BCBS), CIGNA, and TML Health.

The plans from Aetna and TML Health have higher out-of-pocket costs for employees. The Aetna plan premiums do not include the PPACA fees so BWA would have to pay those directly. Also, BWA would have to find a third-party administrator to manage the Flexible Spending Account and COBRA coverage, which would be an additional cost. The BCBS and CIGNA plans offer no significant savings over the UHC renewal.

## Financial Impact

The overall financial impact to BWA is approximately \$775 annually.



# Staff Report

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**Meeting Date**

September 1, 2020

**New Business Item #2**

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## **Subject**

BWA Group Dental, Vision, Short Term Disability and Long Term Disability Renewal

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## **Recommendation**

Staff recommends accepting the renewal proposal from Guardian for dental, vision, short-term disability and long-term disability insurance.

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## **Background/Analysis**

BWA currently offers dental, vision, short-term disability (STD) and long-term disability (LTD) insurance plans through Guardian. Traditionally, these 4 lines of coverage have all been placed with the same carrier for ease of administration. Additionally, having both products with the same carrier makes the transition of a claim from STD to LTD much smoother.

The current dental plan has a deductible of \$50 and a maximum annual benefit amount of \$1,500. The plan pays 80% of basic services and 50% of major services. Cleanings are covered at 100% up to 2 times per year. The current vision plan consists of co-pays for eye exams, lenses, frames and contact lenses. The co-pays represent a substantial savings from regular retail prices for these services.

The current STD plan pays up to 60% of an employee's weekly salary for up to 11 weeks if the employee is off work due to illness or injury. The LTD plan pays up to 60% of an employee's monthly salary for up to 2 years if an employee is off work due to illness or injury.

Guardian's initial renewal rates reflected no increase for dental and vision coverage, an increase of 12.5% (\$844 annually) for STD and an increase of 13% (\$1,320 annually) for LTD. Gus Bates Insurance, BWA's agent, reached out to Guardian regarding the increase on STD and LTD and was able to negotiate a rate pass for those 2 products as well, so there is no increase with the Guardian renewal. Guardian's renewal is a 2-year term for dental and vision and a 1-year term for STD and LTD.

Our experience with Guardian has been very good across all 4 products and employee satisfaction with the Guardian plans is high. Guardian's member website is easy to use, as is its administration portal. Enrollment of new employees and changes to existing employees is easy to accomplish and claims are processed in a timely manner.

## **Proposals from Other Carriers**

BWA advertised for proposals from other carriers on July 17, July 23, and July 30. Proposals were due on July 31. Proposals were received from Lincoln, Mutual of Omaha, Principal and MetLife. All proposals, including the Guardian renewal, were reviewed by staff and by Gus Bates Insurance, BWA's agent.

The proposal from Lincoln is a 1-year term for dental and a 2-year term for vision, STD and LTD. Lincoln's proposal reflects an annual savings to BWA of \$3,218. The proposal from Mutual of Omaha is a 1-year term for dental and a 2-year term for vision, STD and LTD. Mutual of Omaha's proposal reflects an annual savings to BWA of \$2,885. The proposal from Principal is a 1-year term for dental and a 2-year term for vision, STD

and LTD. Principal's proposal reflects an annual savings to BWA of \$2,626. The proposal from MetLife is a 1-year term for dental and a 2-year term for vision, STD and LTD. MetLife's proposal reflects an annual savings to BWA of \$2,288.

The proposals from the other carriers would result in slight savings on dental insurance for the current plan year. However, it is likely that the renewal for 2021-2022 would result in dental rates that are at or higher than our current rates with Guardian. Additionally, there is a significant amount of administrative work involved in making a carrier change, which would negate a large portion of savings in premium costs.

### **Financial Impact**

Accepting the Guardian renewal results in no financial impact to BWA since there is no increase in premiums.

