



**ONWASA Board of Directors
Special Meeting Minutes
Thursday, April 20, 2017
6:00 p.m.**

Jacksonville City Hall, New Bridge Street, Jacksonville, NC

Present for meeting: Gregory Hines, Holly Ridge (ONWASA Chairman)
Jerry Bittner, Jacksonville (ONWASA Vice-Chairman)
Fred Burns, North Topsail Beach (ONWASA Director)
Paul Conner, Richlands (ONWASA Secretary/Treasurer)
Royce Bennett, Onslow County (ONWASA Director)
Jack Bright, Onslow County (ONWASA Director)

Absent from meeting:

Michael Lazzara, Jacksonville (ONWASA Director)
John Lister, Swansboro (ONWASA Director)

Also present for meeting: Jeffrey Hudson (Executive Director/CEO), Chuck Kitchen (Legal Counsel),
Teresa Stanley (PIO/Clerk to the Board), David Mohr (Engineering
Director), Tiffany Riggs (Finance Director), David Bergman (IT Director),
Joetta Guist (HR Director), Mark Browder (MARK III)

Meeting Called to Order by Chairman Hines at 6:00 p.m.

Invocation – Chairman Hines

Pledge of Allegiance – Secretary/Treasurer Conner

I. Business

A) ONWASA Health Plan Options

Discussion Summary: Mr. Jeffrey Hudson stated to the Board that the deadline to submit the Memorandum of Understanding to the State is Friday, April 21st. With that being said, he explained that there have really not been any significant changes since the Board was first presented all the information regarding transitioning from the League of Municipalities health insurance to the State Health plan at a previous meeting. Mr. Hudson did express that they worked with the current provider, League of Municipalities, to explore other options for insurance coverage such as a “partially self-funded” plan with some changes in benefit levels. The plan shifts some risk from MIT to ONWASA to accomplish lower premiums. In February, the 2018 rate schedule was received from the League showing that rates for the current to the next year for the existing plan were unchanging which makes it difficult for employees to afford dependent coverage. In April, ONWASA obtained additional information regarding State Treasurer Folwell’s suggested changes to the State Health Plan.

Mr. Hudson gave a brief PowerPoint Presentation which the Board had received at a previous meeting regarding what the State Health plan would offer if the Board approved the transition. PowerPoint is attached to these minutes.

Mark Browder, with Mark III, went over an analysis of health plan options and showed a comparison chart of current coverage versus State coverage.

Tiffany Riggs presented a forecasted savings for ONWASA using State Treasurer Folwell's recommendations and insurance premium increase assumptions which showed a projected annual savings of \$492,000 to \$520,000 by moving to the State health Plan. Savings in one year of implementation is a fixed number of approximately \$185,000.

MOTION: *Motion made by Secretary/Treasurer Conner to approve:*

- 1) the MOU to join the North Carolina State Health Plan for all active-duty employees effective July 1, 2017; and,
- 2) Approves the establishment of Health Reimbursement Accounts to pay for the retiree's individual insurance policies if they are eligible under the provisions of the April 17, 2014 Personnel Policy prior to July 1, 2017 to avoid lapses in retiree health coverage.
- 3) Approves an additional \$300 per month for each dependent covered under ONWASA's health plan by the employee as of the date of their retirement, which shall cease when one of the following first occurs:
 1. the retiree's health benefit eligibility ceases under the provisions of the April 17, 2014 Personnel Policy
 2. dependent reaches Medicare age
 3. dependent reaches age 26 or the dependent is no longer eligible for parental coverage under then current law
 4. dependents become eligible for any health insurance coverage other than individual health plans

And to amend the Personnel Policy section 10-4, "Description of Benefit" as follows: "~~The retiree may insure other family member(s) through the ONWASA insurance carrier at his/her cost.~~ At no time will ONWASA bear any insurance costs other than that of the retired employee-, other than an HRA supplement which is offered in the sole discretion of the Board of Directors and may be amended or modified at any time.

- 4) And to authorize the Executive Director/CEO to execute the MOU.

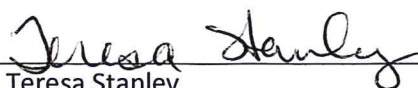
Motion seconded by Director Bennett; motion carried unanimously.

II. **Adjourn**

MOTION: *Motion made by Vice Chairman Bittner to adjourn. Motion seconded by Director Bennett and carried unanimously.*

Meeting adjourned at 6:27 p.m.

Respectfully Submitted,



Teresa Stanley
PIO/Clerk to the Board



Gregory Hines
Chairman