



Brunswick-Glynn County Joint Water and Sewer Commission
1703 Gloucester Street, Brunswick, GA 31520
Thursday, March 5, 2020 10:30 AM
Commission Meeting Room

HUMAN RESOURCES COMMITTEE MEETING AGENDA

COMMITTEE MEMBERS: **Commissioner Donald Elliott, Chairman**
Commissioner Cornell Harvey
Commissioner Wayne Neal
Executive Director Andrew Burroughs

PUBLIC COMMENT PERIOD

Public Comments will be limited to 3 minutes per speaker. Comments are to be limited to relevant information regarding your position and should avoid being repetitious. Individuals should sign in stating your name, address and the subject matter on which you wish to speak. Your cooperation in this process will be greatly appreciated

APPROVAL

1. **Onsite Wellness Checks – A. Burroughs**

DISCUSSION

1. **Open Enrollment Update – C. Tindall, First Coast Benefits Solutions, Inc.**
2. **Self-Funded Health Insurance Proposal Update – C. Tindall**
3. **Tobacco/BMI Premium Changes Structuring – A. Burroughs**
4. **Potential Pension Plan Changes Timing – A. Burroughs**

MEETING ADJOURNED

All citizens are invited to attend.

There is a possibility of a quorum of Commissioners being present.



Brunswick-Glynn County Joint Water & Sewer Commission
1703 Gloucester Street, Brunswick, GA 31520
Commission Meeting Room
Thursday, March 5, 2020 at 10:30 AM

HUMAN RESOURCES & SAFETY COMMITTEE MINUTES

PRESENT: Donald Elliott, Committee Chairman
Cornell Harvey, Commissioner
Wayne Neal, Commissioner
Andrew Burroughs, Executive Director

ALSO PRESENT: Ben Turnipseed, Commission Chairman
Bob Duncan, Commissioner
Catina Tindall, First Coast Benefits Solutions, Inc.
Daphne Gable, Teamwork Services Inc.
Kelly Vest, Teamwork Services Inc.
Janice Meridith, Exec. Commission Administrator

MEDIA: Media Present - None

Chairman Elliott called the meeting to order at 10:34 AM.

PUBLIC COMMENT PERIOD

There being no citizens that wished to address the Committee, Chairman Elliott closed the Public Comment Period.

APPROVAL

1. Onsite Wellness Checks – A. Burroughs/C. Tindall

Mr. Burroughs stated that he would like for Catina Tindall of First Coast Benefits Solutions, Inc. to present this first item since she is the one who been working with Southeast Georgia Health System and obtained quotes regarding onsite wellness checks for BGJWSC. Mrs. Tindall commented that she had researched multiple sources to perform onsite wellness, and after reviewing the data found that SGHS had the best price, plus they are here locally in Brunswick, and were very reliable in providing data. Mrs. Tindall provided the Committee with hardcopies of the letter from SGHS and their quote or requested bid. The onsite wellness checks would be performed in one of the conference rooms to allow complete privacy. The wellness check will include a biometric analysis which would include the high-weight BMI, blood pressure, A1C, full lipid panel, a PSA for men over 50, and an optional flu shot. The cost for this wellness check will be \$45 per employee, and for the men over 50 who want a PSA that is an additional \$30. All of the reports will go back to the employees, and none of the reports will be given to the Commission to maintain 100% confidentiality. This is a voluntary program and the Commission will receive a report back of how many have participated, but not who participated. Mrs. Tindall commented that this is a great first start to the program and it can be built on with more services offered. There may be an incentive offered to encourage employees to take advantage of this wellness program. Also it is

offered during the workday and the employee does not have to take time off to go to the doctor for their physical.

Commissioner Neal made a motion seconded by Commissioner Harvey to move that the Human Resources Committee recommend approval of the attached wellness agreement with Southeast Georgia Health Systems for a not-to-exceed amount of \$7,290.00. Motion carried 3-0-0.

DISCUSSION

1. Open Enrollment Update – C. Tindall

Catina Tindall recalled that this year's health benefits enrollment process went rather smoothly with some minor change having been made to the plans offered, such as the emergency room which has now goes toward the deductible. The deductibles were also reduced by the Commission's change to reimburse a portion. The employees were given more of an educational explanation of the different plans, deductibles, and HSA, as well as a side by side comparison of the plans which gave a clear visual of the differences when making their selection in plans. This year's enrollment was completed using online service, and for those who did not have access to a computer or needed assistance, Teamwork Services gave them one on one assistance with the enrollment and also answering any questions they may have still had. These changes made the enrollment process go much smoother and in a more positive direction than in the past.

2. Self-Funded Health Insurance Proposal Update – C. Tindall

Catina Tindall indicated that she has been researching and studying self-funded health insurance. She has been looking at models of what it would look like if the company went with self-funded insurance and had a year with the worst case scenario; what would happen with a year with best-case scenario? She did advise that if a company goes with a self-funded insurance plan that it is very hard to get out of and is very expensive to try to go back to a fully funded plan. The Committee agreed that a workshop would be best to have a fully detailed discussion on this subject. Commissioner Duncan suggested also looking at a hybrid where certain items are covered by the company self-funding those events and the insurance company covering other events. Mrs. Tindall provided that this is termed level-funding and can prove to be a good plan, however JWSC tended to change insurance frequently by going with the low cost bids and changing from carrier to carrier. This type of funding will also be reviewed and discussed at the workshop.

3. Tobacco/BMI Premium Changes Structuring – A. Burroughs

Mr. Burroughs briefly discussed tobacco use and BMI as related to employees' health and insurance premiums with the Commissioners. The group agreed that providing a discount for those who do not use tobacco products and do maintain a good BMI is the preferred method to incentivize the employees. In response to Mr. Burroughs' question of when the Committee thought this program should begin

Commissioner Duncan suggested that the first year should be a test year for the employees to see where they are and what the hurdle is to receive the incentive to get healthier; and then roll it out the next term. It was noted that the healthy employee who remains healthy would continue to receive the discounted premium each term. Mrs. Tindall also mentioned that there are health coaches available for assistance and discussion on improving manners of diet, exercising and becoming healthier. The Committee will discuss this subject again and consider when would be a good time to begin this program.

4. Potential Pension Plan Changes Timing – A. Burroughs

Mr. Burroughs recalled for the Committee that the pension plan has recently been discussed. He stated that it is a defined benefit plan with GMA, and the current calculation for JWSC's cost each year is 6% of wages plus overtime plus a percentage of the unfunded liability each year. At this time the pension expenses are about 7.5% of the covered payroll. Mr. Burroughs added that recently there has been a lot of discussion about having the employees contribute to that. In previous conversations the general

consensus of the Commissioners was that the employee contributions apply to new employees only. Mr. Burroughs provided the 2019 GMA Pension Cost Study which had been presented to the Commissioners in November, and he briefly reviewed the scenarios and charts from the study. GMA had advised that they will need 6 to 10 weeks to implement any changes to the plan and would need to be informed of any requested changes no later than April 22nd. Mr. Burroughs stated that his recommendation was to bring forth an approval item to this Committee in April that would change the pension election for employees hired after July 1st of 2020 to require a 3% contribution and change the vesting period from the current 3-5 year to a 10 year vesting period for those employees. Additionally there would be no administrative costs from GMA to make this change.

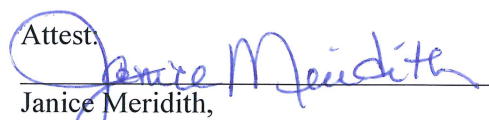
Commissioner Neal stated that this is being discussed at the County also and they had some outside input trying to influence some of the decisions by providing some helpful information. Commissioner Neal then asked what the cost is if JWSC closes the current defined benefit plan; and whatever the employees have in the defined benefit plan now they are still entitled to receive upon retirement; and then start completely over with the defined contribution plan with all of the employees starting on a new retirement program. Mr. Donaghy provided an explanation of how the funds currently in the pension account would be distributed and that due to how those funds are dispersed, some employees who are already vested in the current plan may not receive any part of those pension funds at all. Commissioner Neal stated that he would like to receive the information on the costs to JWSC of making that change. Mr. Burroughs stated they could provide that information from GMA, and he added that the issue would be funding for the existing plan's unfunded portion at termination and would need to find out how GMA would amortize that if JWSC were no longer an active participant in that plan. There will be a shortfall upon termination right now which would about \$2.5M to \$3M which would still have to be paid to pay out the vested interest in the existing plan. The benefits would still be paid out at the time of retirement, but JWSC has to have all of the money in that account to pay it out at that time. Commissioner Neal asked if any of the other Commissioners had received any information or feedback. Commissioner Duncan commented that he had seen this done just as Commissioner Neal just spoke about, and suggested that this could be an option. He added that this should be worked out in the upcoming work session. Commissioner Neal agreed and commented that this should be moved forward but it would be good for them to have this information as it will cost JWSC less money, yet the unintended consequences it could have also need to be looked at.

Mr. Burroughs provided that roughly figured, if they started making all the employees start contributing today, JWSC would be saving about \$250K to \$300K per year out of the \$650K to \$700K paid in now. Commissioner Harvey then asked how long it would take JWSC to make up for the current unfunded portion. Mr. Burroughs replied that there are different portions of it funded right now; JWSC could always contribute more than what GMA would be requesting each year to pay it off quicker. He added that they amortize the large portions like a mortgage and it could be 30 years before it is paid off, but that is dependent on if you want to contribute more than required or not. Commissioner Neal commented that we do have to look at quality of life for our employees and none of us want to hurt the value that they are to us, but we have got to look at it, and we have to look at it by comparison as to what is that going to cost. He added that he has up until this point been one to combine the two and those employees who are on it continue on it, and we have talked about that. I don't want to put words in Commissioner Stephens' mouth, but he and I have talked about this a little bit as well, and I was asking questions of him as it concerns the County's side of it and was just trying to get educated so we make the best informed decision.

A work session will be scheduled to discuss a self-funded health insurance plan and also pension plan changes.

With no further business to discuss, Committee Chairman Elliott adjourned the meeting at 11:12 a.m.


Donald Elliott, Committee Chairman

Attest: 
Janice Meredith,
Executive Commission Administrator



Brunswick-Glynn County

Joint Water and Sewer Commission

Memorandum

To: Human Resources Committee
From: Andrew Burroughs, Executive Director
Date: Thursday, March 5, 2020
Re: Approval – Onsite Wellness Checks

Background:

Over the past several months, there have been recurrent conversations between Commissioners and staff regarding the importance of wellness checks in relation to employee health and overall costs to the Utility. Upon discussion with a cross section of the staff, it was determined that many of the employees do not go for an annual wellness check even though the visits are covered at 100% by the JWSC health insurance plans. Whether due to a difficulty in finding primary care physicians accepting new patients or not wanting to take time off work to attend the visit, several staff members opt not to receive an annual wellness checkup. These staff members tend to wait until they are already experiencing issues prior to attending an appointment.

Multiple Commissioners have previously expressed support for onsite wellness checks being provided to the staff. This has the tri-fold benefit of eliminating the two main issues of not requiring a primary care physician nor having to take time off work to attend as well as providing the employee with a wellness check to ensure that any preventable issues are diagnosed prior to the situation progressing.

Staff Report

Staff has worked with First Coast Benefit Solutions on finding wellness options for the Utility. Mrs. Tindall was able to secure the attached quote from Southeast Georgia Health System to provide the onsite wellness services requested. The pricing is on a per-employee basis. Options are available for a biometric analysis, PSA test, and a flu shot. Staff recommends offering the biometric analysis option to all active employees. At the current maximum staff count of 162 (which exceeds existing staff count), the maximum cost to the Utility for this service is \$7,290.

Recommended Action

Staff recommends entering into the agreement with Southeast Georgia Health System for wellness services for the biometric analysis option.

Recommended Motion

“I move that the Human Resources Committee recommend approval of the attached wellness agreement with Southeast Georgia Health Systems for a not-to-exceed amount of \$7,290.”

Enclosures

Wellness Proposal



**SOUTHEAST GEORGIA
HEALTH SYSTEM**

February 24, 2020

Catina Tindall
777 Gloucester Street, Suite 308
Brunswick, Georgia 31520

Dear Catina,

Thank you for the invitation to bid to be your premier provider of customized wellness services for Brunswick Glynn County Joint Water and Sewer Commission (BGCJWSC). Our wellness team is committed to developing and delivering solutions to meet the growing needs of your company and employees.

I enclose herewith a business agreement for your review and consideration. I look forward to the partnership opportunity to provide BGCJWSC with high quality, convenient, and cost-efficient services to assist you in creating and sustaining a healthy workforce.

Sincerely,

Brendan Hunt
Manager, Talent Acquisition/Health Promotion and Wellness
Southeast Georgia Health System
(912) 466-5168 [office] - (912) 466-3113 [fax]
bhunt@sghs.org

This Letter of Agreement is by and between Southeast Georgia Health System, Inc. ("Health System") and Brunswick Glynn County Joint Water and Sewer Commission ("Company"). Pursuant to the terms of this Agreement, the Health System shall provide biometric analysis testing for Company for a period of one (1) year beginning March 1, 2020. Either party may terminate this Agreement with 60 days written notice.

The Health System shall provide the following testing service at the following rate:

Biometric analysis (height, weight, BMI, blood pressure, A1c, full lipid panel)	\$45.00/employee
PSA (for men 50 years and older)	\$30.00/employee
Optional flu shot (seasonal)	\$25.00/employee

The service above will be provided at the location mutually agreed upon.

Any notice given under this Agreement shall be in writing and shall be sent either by registered or certified mail, return receipt requested, postage prepaid, to each party at the address set forth below. Either party may designate a different address by written notice issued in the manner provided herein.

If to Health System: Southeast Georgia Health System, Inc.
Attn: Brendan Hunt
2415 Parkwood Drive
Brunswick, Georgia 31520

If to Company: Brunswick Glynn County Joint Water and Sewer Commission
Attn: Catina Tindall
777 Gloucester Street, Suite 308
Brunswick, Georgia 31520

The Health System and Company agree to keep all protected health information (PHI) confidential and shall take all reasonable precautions to prevent the unauthorized disclosure of any and all patient records. The right to access Health System medical records shall be subject to all applicable laws and regulations, including but not limited to HIPAA, as well as the Health System policies concerning confidentiality of medical records. The Health System and Company also agree that the payment rates, terms, and condition of this Agreement are confidential and shall not be disclosed to any third party unless disclosure is subject to a subpoena, court order or statute, including but not limited to the Georgia Open Records Act.

This Agreement may not be assigned without prior written consent by the other Party. This Agreement shall be interpreted and governed pursuant to the laws of the State of Georgia.

This Agreement constitutes the entire agreement and understanding between the Parties. This Agreement may only be amended in writing, duly executed, and signed by both Parties.

Southeast Georgia Health System, Inc.
By: Brendan Hunt
Signature: [Signature]
Title: Manager, Talent Acquisition / HR & W
Date: 2/24/2020

Brunswick Glynn Co. Joint Water/Sewer Commission
By: _____
Signature: _____
Title: _____
Date: _____



Brunswick-Glynn County

Joint Water and Sewer Commission

Memorandum

To: Human Resources Committee
From: Andrew Burroughs, Executive Director
Date: Thursday, March 5, 2020
Re: Discussion – Potential Pension Plan Changes Timing

Background:

The Commission wishes to migrate the existing pension plan from a defined benefit plan to a defined contribution plan. The existing pension plan is the Georgia Municipal Employees' Benefit System Retirement Fund (GMEBS) as administered by the Georgia Municipal Association (GMA). Based upon feedback from the Commissioners at past Human Resources and Finance Committee meetings, any proposed pension plan changes would take effect only for new employees unless an existing employee opts to take part in the new plan.

GMA offers a defined contribution plan for employees. This would require a simple election change by the participating agency. The vesting period could also be changed during the update to the plan elections. Based upon preliminary discussions with GMA, the estimated time for any plan changes to take place administratively is 6-10 weeks. There would be no cost from GMA to the utility for these changes to be administered.

In November 2019, staff presented a cost study from GMA outlining the potential cost changes with a 2.5% new entrant contribution and 5-year and 10-year vesting schedules. That study is attached for a second review by the Commission.

Staff Report

Staff believes the best time to make a change to the pension plan for new employees is at the beginning of a fiscal year. In order to allow the full 10 weeks for administering the plan changes, the pension elections would have to be approved no later than 4/22/2020. The suggested pension plan contribution rate is 6% overall plus additional money to pay down the unfunded liability. The combined contribution historically has been around 7.5% of covered payroll.

Recommended Action

Staff recommends bringing back to the Human Resources Committee in April an approval item to change the pension elections for employees hired after July 1, 2020 to require a 3% contribution (half of current year pension requirements) by new entrants and change the vesting schedule for those employees to a 10-year cliff.

Enclosures

2019 GMA Pension Cost Study



2727 Paces Ferry Road SE, Building 1, Suite 1400 | Atlanta, GA 30339-4053
T 678.306.3100 www.segalco.com

November 6, 2019

Michelle Warner
Director Field Services and Defined Contribution Programs
Georgia Municipal Association
201 Pryor Street, SW
Atlanta, Georgia 30303

RE: Benefit Study for the Brunswick-Glynn County Water & Sewer Authority

Dear Michelle,

As requested, we have developed the impact on plan funding of the following plan changes.

1. Future new hires will contribute 2.50% of salary
2. Future new hires will be vested after 5 years and contribute 2.50% of salary
3. Future new hires will be vested after 10 years and contribute 2.50% of salary

The data, financial information, and plan provisions for the January 1, 2019 valuation were used to develop these results, except where noted.

When determining the Recommended Contribution, the total level dollar amortization is adjusted, if necessary, to be within a corridor of the 10-year and the 30-year amortization of the unfunded/(surplus) actuarial accrued liability.

Exhibit 1 Shows a 20-year projections of employer contribution rates. Exhibit 2 presents a 20-year projection of employer contributions, given in today's dollars. None of the changes are projected to have a measurable effect on the funded status of the Plan. All investment gains and losses are expected to be recognized through the asset smoothing method over the next few years. Future returns are projected to be 7.50% annually. All assumptions are presumed to be met in the aggregate, so that no additional future experience gains or losses are anticipated.

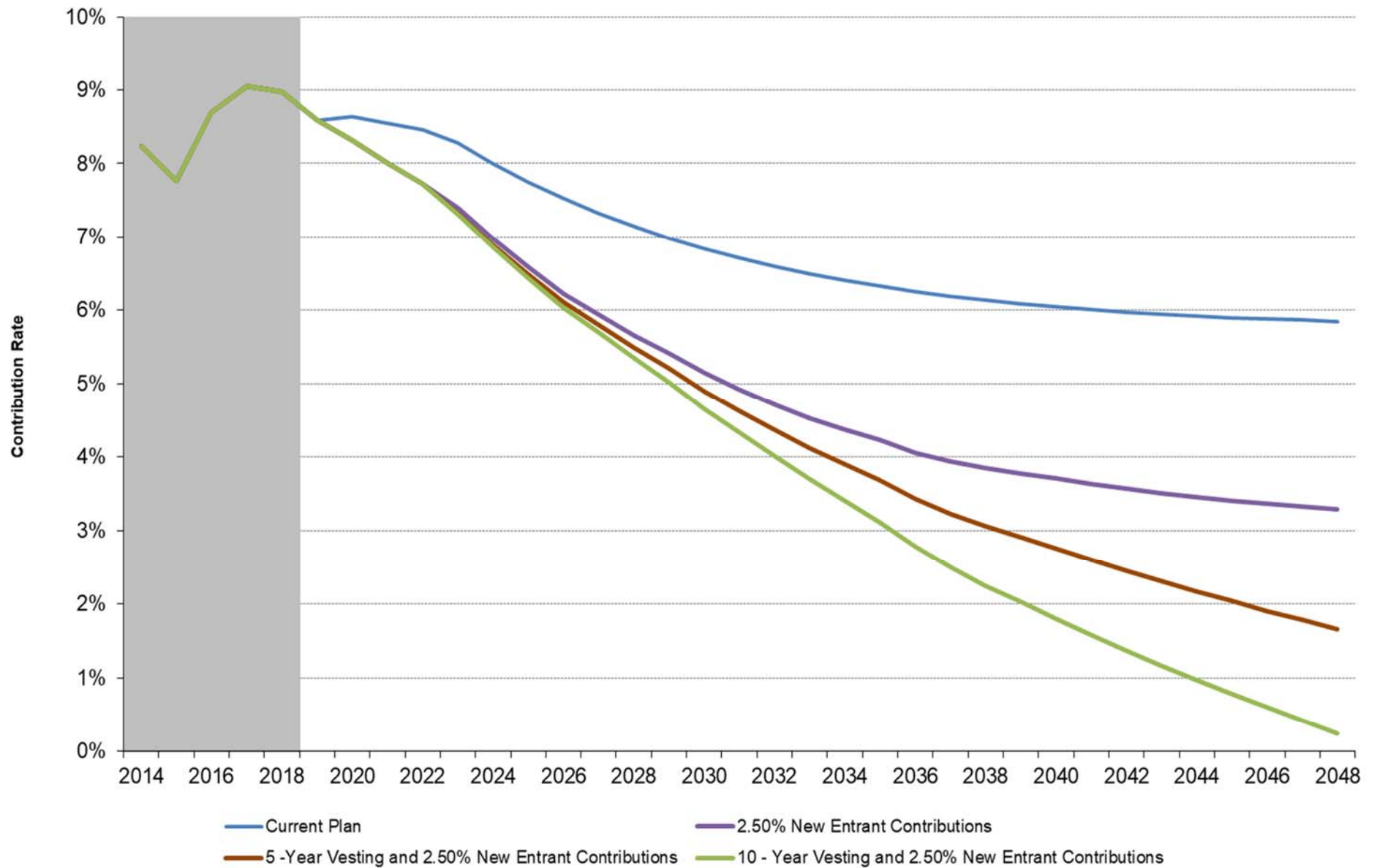
If you have any questions or need additional information please let us know.

Sincerely,

Jeanette R. Cooper, FSA, FCA, MAAA, EA
Vice President and Actuary

Malichi S. Waterman, FCA, MAAA, EA
Consulting Actuary

PROJECTED EMPLOYER CONTRIBUTION RATE



PROJECTED EMPLOYER CONTRIBUTION AMOUNT

