



FINANCE AND POLICY COMMITTEE MEETING

MONDAY, NOVEMBER 1, 2021 |
6PM

5th committee meeting

The Committee will meet in Mauldin City Hall at 5 East Butler Road in the Council Chambers at 6 p.m.

The meeting will be available remotely through Zoom. Please visit the City's website at <https://cityofmauldin.org/your-government/meeting-minutes-agendas/> to access the meeting via audio and videoconferencing.

**FINANCE AND POLICY COMMITTEE MEETING
NOVEMBER 1, 2021, 6PM
CITY HALL - COUNCIL CHAMBERS
5 E. BUTLER ROAD**

Committee Members: Michael Reynolds (Chair), Carol King, Diane Kuzniar

- | | |
|---|--|
| 1. <u>Call to Order</u> | The Honorable Michael Reynolds |
| 2. <u>Public Comment</u> | The Honorable Michael Reynolds
The Honorable Michael Reynolds |
| 3. <u>Reading and Approval of Minutes</u> | The Honorable Michael Reynolds |
| a. Finance Committee Meeting: October 4, 2021 [Pages 3-5] | |
| 4. <u>Reports or Communications from City Officers</u> | The Honorable Michael Reynolds |
| a. City Administrator Brandon Madden | |
| i. Budget Review | |
| b. Finance Director Holly Abercrombie | |
| i. Budget Review | |
| ii. Budget Calendar [Page 6] | |
| c. HR Director Mark Putnam | |
| 5. <u>Unfinished Business</u> | The Honorable Michael Reynolds |
| There is no unfinished business. | |
| 6. <u>New Business</u> | The Honorable Michael Reynolds |
| a. Acceptance of donation for Veteran's bench [Page 7] | |
| b. Medical Benefits Renewal [Pages 8-10] | |
| 7. <u>Public Comment</u> | The Honorable Michael Reynolds |
| 8. <u>Committee Concerns</u> | The Honorable Michael Reynolds |
| 9. <u>Adjournment</u> | The Honorable Michael Reynold |

MINUTES
FINANCE AND POLICY COMMITTEE MEETING
OCTOBER 4, 2021, 6PM
CITY HALL - COUNCIL CHAMBERS 5 E. BUTLER ROAD
1st committee meeting

Committee Members: Michael Reynolds (Chair), Carol King, Diane Kuzniar
Others present: City Administrator Brandon Madden, Finance Director Holly Abercrombie, and HR Director Mark Putnam

1. Call to Order- Chairman Reynolds
2. Public Comment- None
3. Reading and Approval of Minutes
 - a. Finance Committee Meeting: September 13, 2021

Motion: Councilwoman King made a motion to approve the minutes with Councilwoman Kuzniar seconding.

Vote: The vote was unanimous (3-0).

4. Reports or Communications from City Officers
 - a. City Administrator Brandon Madden
 - i. Budget Review

The Administration budget is within the ideal remaining percentage of 75%.

- b. Finance Director Holly Abercrombie
 - i. Budget Review

Ms. Abercrombie said the budget is comparable to where we were last year.

All of the ARPA information has been filed and accepted and the City is waiting on the funds.

This is a reassessment year. The City of Mauldin's millage rate has been rolled back 2.4 mills, from 56.3 to 53.9. A mill was valued at 128.812 and now is 136.920.

- ii. Greenville Water Billing Increase

The City has an agreement with Greenville Water to collect and remit the City's Sewer Maintenance Fee. The agreement allows Greenville Water to charge the City for billing City of Mauldin residents for the Sewer Maintenance fee. Greenville Water approached the City last week to inform us about the increases they are going to be implementing. The billing charge is increasing from the \$1.02 (set back in FY2015) to \$1.17 and will take effect in January of 2022. Ms. Abercrombie does not believe we will need a budget amendment for this.

c. HR Director Mark Putnam

October is Breast Cancer Awareness month. Mr. Putnam reported the City is doing a fundraising raffle for the Susan G. Komen fund.

He also reported insurance renewals are starting. We have had more claims this year than last, and may see that difference reflected in the gap insurance rates.

Councilwoman King asked if we are still looking at joining with the other Golden Strip cities for insurance purposes. Mr. Putnam said Simpsonville has joined Proactive and they are looking at Anchor Benefits. This was not feasible for Fountain Inn this year. Councilwoman King asked if we could get a quote for Mauldin and Simpsonville together. Mr. Putnam said we are still looking at that and it would provide a larger pool.

5. Unfinished Business- There is no unfinished business.

6. New Business

a. Acceptance of donation for Veteran's bench

Acceptance of a \$1,151 donation from Mrs. Sherbert for an engraved plaque in tribute to her late husband, former City Police Chief, and Army Veteran, Mr. Harold Sherbert. The engraved plaque will be placed on a bench along the City's Veterans Memorial.

Motion: Councilwoman King made a motion to send this to Council with a recommendation of approval. Councilwoman Kuzniar seconded the motion.

Vote: The vote was unanimous (3-0).

b. Procurement Policy

Chairman Reynolds requested this item be placed back on the agenda in case there were any questions or concerns.

Number four on the agenda summary is what was discussed in the Council meeting last month. Councilwoman King said, to her, number 4 reads that department heads may spend up to \$5,000 as already stated in the procurement policy, but cannot sign a contract in any dollar amount. Brandon Madden said that was correct.

Councilwoman King said the way the amendment was presented was confusing and it is ok to say "I don't understand, can we discuss this further?"

No action was needed on this item.

7. Public Comment- None

8. Committee Concerns- None

9. Adjournment- Chairman Reynolds adjourned the meeting at 6:15 p.m.

Respectfully Submitted,
Cindy Miller
Municipal Clerk

City of Mauldin

FY2023 Budget Calendar

August - October	<p>Pre-Budget Items</p> <ul style="list-style-type: none"> 10- year Capital Budget updated and distributed to Committee. Capital Committee meets and ranks the fiscal years items. Council retreat - to establish goals and budget objectives for staff.
December - January	<p>Budget request forms are prepared and distributed to Department Heads.</p> <p>Finance staff compiles personnel and fringe benefit numbers.</p> <p>Finance staff compiles Projected Revenue numbers.</p> <p>City Administrator develops and distributes the Budget Guidance document.</p>
February	<p>Feb 11 Budget requests due to Finance Director.</p> <p>Feb 14-25 Budget is reviewed and refined as needed.</p> <p>Feb 28 Any changes are processed and entered by Finance staff.</p>
March	<p>March 1-4 Council budget notebooks are produced and distributed by the finance department.</p> <p>March 10 Budget Workshop with Council and staff.</p> <p>March 24 Budget Workshop with Council and staff.</p>
April	<p>April 1-12 Budget revisions are inputted. Budget Ad is prepared.</p> <p>April 7 Budget Workshop with Council and staff.</p> <p>April 13 Budget Ad is submitted to newspaper.</p> <p>April 14 Budget Workshop with Council and staff. (Optional, if needed)</p> <p>April 27 Ad is circulated in the Tribune Times.</p>
May	<p>May 16 Public Hearing and first reading on the proposed Budget Ordinance.</p>
June	<p>June 20 Second reading and Adoption on the proposed Budget Ordinance.</p>

FINANCE AND POLICY COMMITTEE

AGENDA ITEM SUMMARY

MEETING DATE: November 1, 2021
AGENDA ITEM: 6a

TO: Finance and Policy Committee
FROM: City Administrator Brandon Madden
SUBJECT: Veteran's Memorial Bench

REQUEST

Acceptance of a \$1,151 donation from Mr. Patrick Schoolcraft for an engraved plaque in tribute to his late father, US Navy and Air Force Veteran, Mr. Walter Schoolcraft. The engraved plaque will be placed on a bench along with the City's Veterans Memorial.

HISTORY/BACKGROUND

The City purchased benches in the Veteran's Memorial with blank plaques on them for interested residents to buy and have engraved. All of the benches except one have been purchased. By way of custom and practice, residents interested in purchasing a plaque and having it engraved reimburse the City for the cost of the bench and also pay for the plaque to be engraved.

ANALYSIS or STAFF FINDINGS

Once purchased and engraved, the plaque will be placed on the bench along the City's Veterans Memorial. The plaque will be engraved with the following:

"Poppie's Bench"

In memory of MSGT Walter H. Schoolcraft

Serving 2 years in the U.S. Navy and 27 years in the U.S. Air Force, he was a proud Vietnam Vet who loved his country.

He will forever be missed by his family and friends.

7/11/1936 - 7/21/2016

FISCAL IMPACT

The fiscal impact of this request is \$1,151.

RECOMMENDATION

Staff recommends Council's acceptance of a donation of \$1,151 from Mr. Schoolcraft for an engraved plaque in tribute to his late father, US Navy and Air Force Veteran, Mr. Walter Schoolcraft.

ATTACHMENTS

None.

FINANCE & POLICY COMMITTEE

AGENDA ITEM

MEETING DATE: November 1, 2021

AGENDA ITEM: 6b

TO: Finance and Policy Committee

FROM: Human Resources Director Mark Putnam

SUBJECT: Health Insurance Renewal

REQUEST

The Committee is being requested to accept for information an update on the City's health insurance renewal for calendar year 2022. The City's contract with its current health insurance provider, MAP Health, expires at the end of December 2020.

HISTORY/BACKGROUND

The City's current health insurance provider is MAP Health. The one-year term of the contract with MAP Health commenced 1/1/2020 and will end on 12/31/2020. Since the beginning of FY2021, City staff, in conjunction with the City's health insurance brokerage firm ECM Solutions, has conducted reviews of proposals presented by health insurance providers for the upcoming health insurance renewal. Undergirding staff's vetting of the proposals are the following points of emphasis:

- Controlling the out of pocket health insurance cost for City employees, including costs attendant to dependent health insurance.
- Developing a workplace culture of wellness through the establishment of an internal wellness committee. The committee, inter alia, will work to implement ways for City employees to be healthier at the workplace and encouraging healthy habits in their personal and professional lives.
- Identifying cost saving measures for City employees and their dependents through reduced health insurance claims.

ANALYSIS or STAFF FINDINGS

Table 1 below provides an overview of the insurance provider proposals that have been vetted by City staff:

		BCHP 2018	Cigna 2019	Cigna 2020	MAP Health 2020	MAP Health 2021	MAP Health 2022
Fixed Cost					\$ 425,356	\$ 417,400	\$ 411,429
Max. Claim Fund					\$ 813,635	\$ 936,081	\$ 1,085,693
PBM Rebates					\$ (5,436)	\$ (31,943)	\$ (40,000)
Proactive MD					\$ 156,000	\$ 156,000	\$ 156,000
Runouts							
Combined Cost		\$ 1,285,095	\$ 1,419,362	\$ 1,673,505	\$ 1,389,554	\$ 1,477,538	\$ 1,613,122
Budgeted Premium					\$ 1,419,362	\$ 1,419,362	\$ 1,490,330
Actual Expense					\$ 1,020,426	\$ 1,267,925	
Prem - Claims (+/-)					\$ 398,936	\$ 151,437	
* 2021 Actual Expense is Annualized based on claims through September.							

A description of the items listed in Table 1 is presented here:

Fixed Cost – The fixed cost is the cost to the Health Insurance Provider from the City.

Max. Claim Fund – This fund accounts for the funding available to cover the cost of medical claims from employees covered through the City’s health insurance. This amount is developed by the health insurance provider and is based on the City’s historical health insurance data (e.g., medical claims trend analysis).

PBM Rebates – Pharmacy Benefit Manager (PBM) rebates are rebates from drug/pharmaceutical manufacturers that are provided to the health insurance provider. The rebates are negotiated with the manufacturers by a PBM who works on behalf of insurance provider. This amount is an estimate developed by the health insurance provider based on the historical record of the prescription drugs used by City employees.

Proactive MD - Proactive MD provides direct primary care to all City employees and dependents covered through the City’s health insurance. If approved by Council, all City employees and dependents could visit Proactive MD for doctor visits at no cost, which includes provisions for most generic prescriptions. This option could reduce the number of medical claims that are submitted to the health insurance provider. Attached is a booklet providing additional details on Proactive MD.

Run Outs - A run-out period is a timeframe in the new plan year during which you can file claims for expenses incurred in the previous plan year.

Combined Cost – This amount is the total cost to the City based on the health insurance provider.

+/- to Current – This amount is the difference between the cost currently paid by the City for its existing health plan with Cigna.

+/- to Renewal – This is the renewal amount as compared with the amount it would cost the City to renew its existing health plan with Cigna.

FISCAL IMPACT

The City allocated \$1,589,895 in its FY2022 budget for health insurance via the Health Insurance Fund. Given that the health insurance plan term is based on the calendar year as opposed to the fiscal year, the first 6 months of the plan will be covered through the end of FY2022 or June 30. The costs for the remaining term of the plan will be covered through the appropriations provided by Council in its FY2023 budget. The fiscal impact of the health insurance would be dependent on Council’s direction as it relates to the health insurance provider.

RECOMMENDATION

It is recommended that the Committee accept this update on the health insurance renewal as information. The proposals will be presented to the City’s Employee Engagement Committee for their review. This Committee is comprised of a cross section of City employees. The recommendation of the Committee will be presented to the Finance & Policy Committee during its December 6 meeting for its consideration.

ATTACHMENTS
