



CITY COUNCIL SPECIAL MEETING

Monday, June 24, 2024 at 5:30 PM

City Council Chambers | 202 N. Virginia Street, Port Lavaca, Texas 77979

MINUTES

STATE OF TEXAS §
COUNTY OF CALHOUN §
CITY OF PORT LAVACA §

On this the 24th day of June 2024, the City Council of the City of Port Lavaca, Texas, convened in a special meeting at 5:30 p.m. at the regular meeting place in Council Chambers at City Hall, 202 North Virginia Street, Port Lavaca, Texas, with the following members in attendance:

I. ROLL CALL

- | | |
|-----------------|---|
| Jack Whitlow | Mayor |
| Daniel Aguirre | Councilman, District 1 |
| Tim Dent | Councilman, District 2 |
| Allen Tippit | Councilman, District 3 |
| Rosie G. Padron | Councilwoman, District 4, Mayor Pro Tem |
| Jim Ward | Councilman, District 5 |
| Justin Burke | Councilman, District 6 |

And with the following absent:

None

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II. CALL TO ORDER

- Mayor Whitlow called the meeting to order at 5:31 p.m. and presided.

III. COMMENTS FROM THE PUBLIC

(Limited to 3 minutes per individual unless permission to speak longer is received in advance. You may make public comments as you would at a meeting by logging on with your computer and using "Join Zoom Meeting" information on first page of this agenda).

- Mayor Whitlow asked for comments from the public and there were none.

IV. ACTION ITEMS - Council will consider/discuss the following items and take any action deemed necessary.

1. Consider approval of New Plan Options for the 2024-2025 Fiscal Year with TML Multi-State Intergovernmental Employees Benefits Pool related to City's group health insurance coverage. Presenter is Brittney Hogan

Interim Finance Director Hogan advised Council that staff has received and reviewed the medical, dental and vision insurance plan options available to the City for the fiscal year beginning October 1, 2024, as offered by Blue Cross Blue Shield (BCBS) through TX Health Benefits Pool.

Staff has calculated that the 2024-2025 Renewal rate for the exact same coverage and employee/city split currently offered would increase the City's cost by \$135,416.00 or 14%. Overall, the trend for the City's contribution for health insurance costs has risen over 40% from \$728,040.00 in fiscal year 2020 to a projected \$1,024,650.00 for fiscal year 2025 (or \$1,069,590.00 if the employee split remains the same). Staff will continue to monitor changes in plan designs to minimize rising costs to the City and are working with Texas Municipal League (TML) to increase employee awareness of healthy lifestyle choices and preventative medicine practices.

After reviewing the four options offered, staff is recommending council select Option 1. The only difference in Option 1 and the current medical plan is that the maximum Out of Pocket (OOP) expense will increase from \$6,000/year to \$9,000/year. Only 12 members met the \$4,000 OOP last year and only 7 members have met the \$6,000 OOP this year. All other benefits remain the same including deductibles and co-pay amounts.

Selecting Option 1 and maintaining the same City/Employee payment split that has been in place since at least 2018/2019, the increase cost to the City would be \$105,438.00. Note that the City has been absorbing all medical insurance premium increases over the past at least 6 years.

After reviewing options with the Finance Committee, it was recommended that staff adjust the percentages of the premium cost that the employees pay such that this \$10SK increase is split with the employees. Staff is recommending that the percentage split is adjusted to be closer to what it was 5 and 6 years ago. Doing so will reduce the increased cost to the City to \$60,498.00 (a savings of \$44,940.00).

Staff recommends the following:

TML Option No. 1: Only Change to plan coverage proposed is as follows:

The Out-of-Pocket (OOP) Maximum will increase from \$6,000 to \$9,000.

Changes recommended to the Employee Contribution per month:

Employee Only (15%) = +\$30.00 (\$360 annually) compare County rates: \$147/mo

Employee+ children (20%) = +\$45.00 (\$540 annually) compare County rates: \$766/mo

Employee + Spouse (20%) = +\$55.00 (\$660 annually) compare County rates: \$988/mo

Employee+ Family (16%) = + \$70.00 (\$840 annually) compare County rates: \$1510/mo

Motion made by Councilman District 2 Dent

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PORT LAVACA, TEXAS:

THAT, in accordance with recommendation of staff, Council hereby approves the new plan of Blue Cross-Blue Shield of Texas (BCBSTX) Option Number 1, as offered by TX Health Benefits Pool, with continued coverage of the same plans for dental and vision for the 2024-2025 Fiscal Year (October 01, 2024 thru September 30, 2025) related to City’s group health insurance coverage, as presented.

Seconded by Councilman District 5 Ward

Voting Yea:

Councilman District 1 Aguirre, Councilman District 2 Dent, Councilman District 3 Tippit, Councilwoman District 4 (Mayor Pro Tem) Padron, Councilman District 5 Ward, Councilman District 6 Burke

2. Consider amendment to agreement with consultant Susan Lang to extend contract and authorize expenditures under the contract greater than \$25,000. Presenter is Brittney Hogan

Interim City Manager Weaver advised Council that until very recently, staff had been advertising (beginning when Susan Lang, Former Finance Director, submitted her letter of resignation last September 2023) for a new Finance Director on Texas Municipal League (TML) and other places. To date we have received no applicants with any municipal finance experience. As I reported in my March 2024 update report to Council, I contracted with Susan Lang to assist Brittney, as the Acting Finance Director, on an as needed hourly basis with the Audit and other training and education she might need as we headed into budget season. The contract was for 6 months, ending on July 26, 2024 and Not to Exceed \$25,000.00.

This has been discussed with the Finance Committee and I am requesting authorization from Council to extend this consulting contract to September 30, 2024 and increase the Not to Exceed amount by \$11,000.00. This will make Susan's expertise on the City's current budget available to Brittney as we work to prepare a balanced budget to present to Council this summer.

As of April 01, 2024, Weaver has transitioned Hogan from Acting Finance Director to Interim Finance Director with the intention to make her the Finance Director effective October 01, 2024 with the new fiscal year.

Motion made by Councilman District 5 Ward

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PORT LAVACA, TEXAS:

THAT, in accordance with recommendation of staff, Council hereby approves amendment to existing agreement of \$25,000.00 with consultant Susan Lang (Former Finance Director) ending in July 26, 2024; by extending the contract to September 30, 2024; and increases the amount Not to Exceed \$11,000.00.

Seconded by Councilwoman District 4 (Mayor Pro Tem) Padron

Voting Yea:

Councilman District 1 Aguirre, Councilman District 2 Dent, Councilman District 3 Tippit, Councilwoman District 4 (Mayor Pro Tem) Padron, Councilman District 5 Ward, Councilman District 6 Burke

V. ADJOURN SPECIAL MEETING

Mayor Whitlow asked for motion to adjourn.

Motion made by Councilman District 5 Ward

Seconded by Councilwoman District 4 (Mayor Pro Tem) Padron

Voting Yea:

Councilman District 1 Aguirre, Councilman District 2 Dent, Councilman District 3 Tippit, Councilwoman District 4 (Mayor Pro Tem) Padron, Councilman District 5 Ward, Councilman District 6 Burke

Special Meeting adjourned at 5:45 p.m.

Jack Whitlow, Mayor

Mandy Grant, City Secretary