

**SPECIAL MEETING MINUTES
TROPHY CLUB MUNICIPAL UTILITY DISTRICT NO. 1
BOARD OF DIRECTORS
NOVEMBER 7, 2016 at 6:00 P.M.
100 Municipal Drive, Trophy Club, Texas 76262**

The Trophy Club Municipal Utility District No. 1 Board of Directors, of Denton and Tarrant Counties, met in a Special Session on November 7, 2016 at 7:00 P.M., in the Boardroom of the Administration Building, 100 Municipal Drive, Trophy Club, Texas 76262. The meeting was held within the boundaries of the District, and was open to the public.

STATE OF TEXAS §
COUNTIES OF DENTON AND TARRANT §

DISTRICT BOARD MEMBERS PRESENT:

Greg Wilson Vice President
Jim Hase Secretary/Treasurer
Bill Rose Director

DISTRICT BOARD MEMBERS ABSENT:

Kevin R. Carr President
Jim Thomas Director

STAFF PRESENT:

Laurie Slaght District Secretary
Renaë Gonzales Finance Manager

GUESTS PRESENT:

Dean Casey Dean Casey and Associates

CALL TO ORDER AND ANNOUNCE A QUORUM

Vice President Wilson announced the date of November 7, 2016, and called the meeting to order and announced a quorum present at 6:01 p.m.

CITIZEN COMMENTS

SPECIAL SESSION

1. Consider and take appropriate action regarding Contract No. 2016110701 with Aetna Life Insurance Company for employee health benefits to be effective December 1, 2016 through December 31, 2017 and to execute all necessary documents related thereto.

Renaë Gonzales, Finance Manager stated that staff had met with the District’s insurance broker, Dean Casey with Dean Casey and Associates approximately one month ago to seek proposals for health and ancillary benefits for the 2017 calendar year. Mr. Casey was able to secure quotes for medical coverage from Aetna, Blue Cross Blue Shield of Texas (current carrier), and United Healthcare. Aetna was able to provide exceptional coverage at a lower cost to the District. The effective date will be December 1, 2016 instead of January 1, 2017 and Aetna will guarantee the rates for 13 months or until December 31, 2017.

Gonzales asked the Board to consider changing the rate of which the District pays for dependents. Currently, employees who elect to cover any dependents pay 65% of the premium. Gonzales presented the Board with several different scenarios for dependent coverage and asked them to consider passing on savings to the employee.

Motion made by Director Rose and seconded by Director Hase to approve Contract No. 2016110701 with Aetna Life Insurance Company for employee health benefits to be effective December 1, 2016 through December 31, 2017 and to have the District pay 50% of dependent coverage and execute all necessary documents related thereto.

Director Rose stated that the staff completed extensive research to bring down the rates and save the District \$42,157. Director Rose stated staff put forth the effort to show they are invested to save the District money and he believes the Board should invest \$12,024 back to employees and cover dependents at 50% which still saves the District \$30,133. Director Wilson stated that he was in favor of passing on the savings because staff was willing to complete health questionnaires in order to seek lower rates.

Motion to amend the main motion made by Director Hase for the District to pay 40% of dependent coverage. Director Rose seconded the motion for discussion.

Director Hase stated that he understands the reasoning of Director Rose and Director Wilson, he believes that lowering rates should be done incrementally.

Call for the vote on the amendment for the District to pay 40% of dependent coverage.

For: none

Oppose: Rose, Wilson and Hase

Motion Fails 3-0

Vice President Wilson calls for a vote on the main motion for which the District will pay 50% of dependent coverage.

For: Rose, Wilson and Hase

Oppose: none

Motion Passes 3-0

Motion made by Director Rose and seconded by Director Hase to adjourn the Special meeting.


Motion carried unanimously

ADJOURN

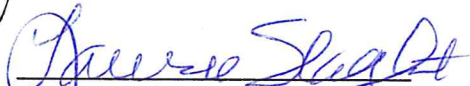
Vice President Wilson adjourned the Meeting at 6:18 p.m.



Gregory Wilson, Vice President



Jim Hase, Secretary/Treasurer



Laurie Slaght, District Secretary

