MINUTES OF THE CITY COUNCIL, CITY OF CONWAY, ARKANSAS

Conway, Arkansas
Monday, 12:00 pm
October 19, 2026

On this date the City Council of the City of Conway, Arkansas met in special session. The following members being a quorum were present and acting: Councilman Hawkins, Councilwoman Mehl, Councilman Ledbetter, Councilman Jones, and Councilwoman Isby. Also, present and acting: Mayor Bart Castleberry, City Clerk Denise Hurd, and City Attorney Charles Finkenbinder. Councilman Grimes, Councilman Spurgers, and Councilman Hawks were not present.

Call to Order: Mayor Bart Castleberry

Roll Call: Denise Hurd, City Clerk

A. Community Development Committee (Airport, Community Development, Code Enforcement, Permits, Inspections, & Transportation, Planning & Development)

1. **Resolution to approve entering into an agreement for broker services for medical insurance for City employees.**

R-26-41

Mayor Castleberry opened the meeting. Tiffany Maddox, Purchasing Manager introduced the three firms to present proposals to the Council for broker services: Brown & Brown Insurance Services, JTS Financial, and Oakbridge Insurance Agency. Each firm was given 15 minutes to present their proposal. Council members received Consensus Summary information before the meeting. After the presentations, Councilwoman Isby who served on the advisory committee gave a summary of what led to the decision to engage a brokerage firm for consulting and advisory services. She said that the committee felt that a broker has relationships with the insurance companies and can work directly with them. She said another benefit is the support a broker can offer to HR. She added that from the committee's standpoint, looking at overall cost to the City in considering each of the carriers, the three presenting today had offered similar benefits, and could work directly with employees to relieve the burden from the HR Department. But she added that it would be the decision of the Council as to which broker to move forward with. Ms. Isby said that Brown & Brown listed out a flat fee cost per employee per month and JTS said the fee would be paid by the City, with Oak Ridge indicating the fee would be paid by the Carrier. The representative from Oak Ridge clarified that with their company, all the cities they deal with the compensation is built in and paid directly by the carrier. He said that once they are appointed as broker the carrier then recognizes them to negotiate on the City's behalf. He added that because the City is now direct, there is nothing built in on the compensation side for them. So he said the City could pay directly, or the carrier could build it in and pay it to the broker. Councilwoman Isby added that with all of the three brokerage firms, employees would have access to an online portal for service. Councilwoman Mehl went over her understanding of the options available; renew with Blue Cross Blue Shield or go self-funded. She asked if there was enough time for a third option. Tiffany Maddox stated that when they met last it was decided to go ahead and renew with Blue Cross Blue Shield for 2027 and then enlisted broker services so that they could move forward with the options as far as self-funded versus other means. Councilman Hawkins asked how that decision was made. Ms. Maddox stated that the vote at that meeting was to cancel the current bid and go with a broker service but renew with Blue Cross for 2027 in the meantime. Councilman Hawkins asked to review the vote. Councilwoman Isby stated that she remembered voting to go forward with broker services but was unclear that it was voted on to renew with Blue Cross Blue Sheild. Ms. Maddox reminded them of the options that were put before them at the last meeting. One was to continue with the solicitation that we had, and the second option was to cancel the solicitation and hire a broker service, and the HR Department would reach out to Blue Cross to

negotiate a renewal for 2027 and that the broker would come in and help with that process. Councilman Hawkins asked the potential brokers if they would be able to get diagnosis and prognosis information from Blue Cross and Blue Shield. All three brokers answered yes. Councilman Hawkins expressed concern with continuing with Blue Cross and getting information needed. Ms. Maddox clarified that this meeting is to choose a broker service only. Councilman Hawkins asked that when a broker is selected would their job begin January of 2027. Ms. Maddox replied that her understanding was that they would begin as soon as possible after the vote. Finance Manager, Wesley Reynolds read the minutes from the September 3rd meeting to the Council that stated: *"If Option 2 is chosen, which is to go with the RFQs for broker services, the HR department would begin negotiating with our current carrier for possible renewal options for 2027. Once a broker was awarded they would step in and help with that process. There was no further discussion. A vote was called and the motion to approve Option 2 passed 5-1, with Councilman Ledbetter voting "no"."* Councilman Hawkins asked for the names of those voting to be read. Mr. Reynolds read from the minutes; Councilwoman Mehl, Councilman Hawks, Councilman Jones, Councilwoman Isby and Mayor Castleberry.

Mayor Castleberry stated that we know nationwide that insurance rates are increasing, and the initial concern was that the City would have a 30% increase in rates. He reminded the Council that the decision was made to go with a broker to help negotiate that amount and like Councilman Hawkins had stated, the current carrier was not forthcoming with information. Councilwoman Isby stated that she wasn't clear in understanding at the last meeting that we would continue with Blue Cross as brokers could negotiate with other carriers as well. Councilman Hawkins said he was glad to see that the Council was willing to talk about self-funding options. Mayor Castleberry brought the matter back to the Council for a decision. There was discussion among the Council as to cost, and time factors. Cody Arnold, Human Resources Manager addressed the Council and thanked all of the brokers for their presentations. He stated that at the meetings, the committee was favorable toward JTS and added that they weren't the cheapest, but they brought the most to the table as far as what they offered to HR and to the employees. Councilman Hawkins agreed and stated that he had pulled out JTS as well. Mayor Castleberry stated that there has been discussion for a long time about becoming self-funded and that he felt that was what the City was moving toward in 2027. He reiterated that the goal for this meeting was to select a broker who could negotiate prices on behalf of the City with the knowledge that in 2027 the City's goal is to be self-insured. Councilwoman Isby asked the brokers if there was time at this point to look into other carriers if Blue Cross Blue Shield's rates are much higher, and if they could seek out other carriers who can offer the same products at a lower cost. There was discussion among the Council as to seeking out other carriers in lieu of Blue Cross, making sure that the coverage was equal and also when a broker could start looking at the feasibility of the City becoming self-funded. Mayor Castleberry confirmed that all three brokers have indicated that they were able to seek out other carriers for price negotiation. Councilman Hawkins made a motion to accept the proposal from JTS Financial, and Councilwoman Mehl seconded the motion. A vote was called and the motion carried 5-0.

Adjournment----------

PASSED this 19th day of October, 2026

APPROVED:

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Mayor, Bart Castleberry

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City Clerk, Denise Hurd