



City of Rock Falls Finance/Insurance/ Investment Committee

Date: January 26, 2011

Time Meeting Started: 6:30 p.m.

Time Meeting Ended: 7:46 p.m.

Members		Also Attended	
Chairman Kuhlemier	P	Paul Jakubczak	P
Ald. Thurm	P	Administrator Downey	P
Ald. Schuneman	P	Clerk Wescott	P
Mayor Blanton			
Also Attended			

Topic	Discussion	Plan of Action
1. Call to Order @ 6:30 p.m.	<ul style="list-style-type: none"> With a quorum present, the meeting was called to order by Chairman Kuhlemier 	In session
2. Approve Special Meeting Minutes of November 30, 2010	<ul style="list-style-type: none"> Following a review of the Minutes, Committee accepted minutes as presented. 	Minutes accepted
3. New Business a) Education Reimbursement Policy Determination	<ul style="list-style-type: none"> Mr. Jakubczak, Electric Director is leaving his position effective February 25, 2011. In accordance with the City's Tuition Reimbursement Policy, Mr. Jakubczak who utilized the benefits to complete his MBA Degree will be required to reimburse the City for some of the \$12, 879.00 the City has paid out. The clarification that is required for determining the amount of reimbursement is what the policies intent is for a degree vs. just taking classes. Following a discussion, the committee determined that Mr. Jakubczak took the classes individually hopeful of earning a degree, however, during the time period 02/27/2008 – 06/17/2009 it was unknown as to whether or not the degree program would be completed. As a result, the reimbursement owed to the City is \$4,733.10. The Committee further requested that the Personnel/Safety Committee review the Tuition Reimbursement Policy and make needed corrections to language to avoid future conflicts. The recommendation is to consider only classes and not degree programs in calculating any reimbursement that may be due the City in the future. 	Request Mr. Jakubczak reimbursement the City \$4,733.10. Refer Policy clarification to the Personnel Committee
b) Revised Wireless Internet Contract-Verizon Wireless.	<ul style="list-style-type: none"> The Water Department and Fire Department are looking to change there current wireless plans with Verizon Wireless. Fire Department has (2) lines and Water (1) line. Currently each line cost \$47.99 per month. If all three (3) change there plans together, the cost will drop to \$37.99 per line a \$30.00 per month savings for the City Departments involved. Following a short discussion the change in contracts was approved for the Water and Fire Department. 	Approve the change in Verizon Wireless Contracts for Fire and Water.
c.) Discussion: City Mechanic Position	<ul style="list-style-type: none"> Several suggestions have been brought forth, into the possibility of creating a position: City Mechanic. Mr. Downey presented information concerning the current amount of expenditures in the various budgets for mechanical repairs and normal and routine maintenance. Given the fact that we do have a hoist available at the City Garage, not all of the City vehicles due to weight restrictions could be serviced on this apparatus. In addition, electronic analysis equipment and tools, inventory of parts would need to be established. In the end, the committee determined that with Salary and benefits package, the cost could not be justified. 	No action

<p>d) Insurance Claim settlements</p>	<ul style="list-style-type: none"> • City Clerk Wescott presented two (2) Health insurance claims to the committee for consideration of payment. Both claims go back at least 1.5 years to our past carrier before IPBC. In both instances, the claims were never filed with the carrier and know our employees are being contacted by the providers for payment. Since PPO contracts are terminated either the employees or the City is responsible for the payment of the claims. • In case #1, Rockford Radiology Services as presented a bill for \$4638.00 for services originally provided on 12/29/2009. After contacting the provider, they are willing to discount there normal rates, without a discount agreement in place, to facilitate payment. Discounting would reduce the total due by \$725.68, making final settlement of the claim, \$3912.32. Due to the excess of bills for this employee, the bill would have been paid at 100%. Committee approved payment. • In case #2, an employee sought medical treatment while on vacation at an Emergency Room in Ironwood, Michigan. Services were provided on 07/09/2009 totaling \$141.00 after discounting was applied. The employee would have been responsible for 20% of the bill and the insurance 80%. The City will pay the bill and the employee in question will reimburse the City 20% (\$28.20). Committee approved payment 	<p>Committee recommends payment of both outstanding claims as presented.</p>
<p>e) Health/Dental Insurance 1) Sub Pool Report</p>	<ul style="list-style-type: none"> • As of this report, the Sub Pool to which the City is part of consists of Village of North Riverside, Cary, and SEAFOAM Communications Center. Recently, the membership reviewed the applications of Gilberts and Bensenville for membership into our Sub Pool group. By a vote of 3-1 both communities were recommended to the IPBC Membership Board ofr acceptance. There are 3-4 other communities currently putting together applications packets for consideration of membership. 	<p>No Action</p>
<p>2) Mid-January cost projections for July 2011</p>	<ul style="list-style-type: none"> • City Clerk Wescott informed the Committee that he had met with the representatives from Gallagher Bassett Services, Inc. in regards to the Mid-January Health and Dental projections for the renewal on July 1, 2011. Currently the projections show and increase of 20% in the Health Plan and 14.3% in the Dental. This would result in approximately a \$180,000 increase in premiums between the City and the employee contributions. In Mid March, a second set of projections will be coming out which will give us our budget numbers for 2011-2012. 	<p>No Action</p>
<p>3) Plan Design Pricing Options</p>	<ul style="list-style-type: none"> • The City and the employees would be hard pressed to raise the \$180,000 in new monies. The committee was told, that we can submit various options for changes in both the Health and Dental plans currently in place in order to off set the increased costs being projected. Each Committee member was asked to submit a proposal for changes to the current plan policies for both the Dental and Health. Once the cost analysis are completed in view of the various considerations, the Committee can then come up with there recommendations to the Council for changes if deemed necessary to the Council. 	<p>Work with the IPBC on plan design options and report back to committee at next meeting</p>
<p>5) Adjournment</p>	<ul style="list-style-type: none"> • With no other business to come before the Committee, Chairman Kuhlemier adjourned the body. 	<p>Meeting Adjourned at 7:46 p.m.</p>

Committee Chairman Glen Kuhlemier