



City of Rock Falls Finance-Insurance-Investment Committee

Date: March 22, 2011 **Time Meeting Started:** 6:30 p.m. **Time Meeting Ended:** 9:00 p.m.

Members		Also Attended	
Chairman, Ald. Kuhlemier	P	Administrator Downey	P
Ald. Schuneman	P	City Clerk Wescott	P
Ald. Thurm	P	Chief Kuelper	P
Mayor Blanton	P	Chief Larson	P
		Ted Padilla Water/Street Supt.	P
Also Attended			
Alan Boseniller, citizen	P	Harvey Temple, citizen	P

Topic	Discussion	Plan of Action
1. Call to Order @ 6:30 p.m.	<ul style="list-style-type: none"> Meeting called to order, quorum present- Item 4 on agenda will be presented prior to beginning the budget reviews. 	Called to Order
2. Approve minutes: 02/22/2011 & Special Meeting 03/21/22	<ul style="list-style-type: none"> Following review of minutes, both were approved by the Committee 	Minutes approved.
4. New Business: a) Health/ Dental Renewal Update	<ul style="list-style-type: none"> City Clerk Wescott, present information to the Committee as a follow-up to there last meeting at which a projected increase of nearly 34% was projected for 2011-2012 Health/Dental renewal. Mr. Wescott presented to the Committee information obtained in regards to three (3) providers and what given our current plan options costs would be if we were on a stand alone basis. Each of the plans were projected lower for one year, however, additional costs would be required as no underwriting was included. This could jump the proposal as much as 55-67%. That would result in cost exceeding our current projected increase. On 3-17-2011, Mr. Wescott attended the Board Meeting for the IPBC and reported that the final increase for the Health/Dental Plan was significantly less down to 15.3%. This still results in approximately \$185,000 new dollars. In working with the Insurance carrier, Mr. Wescott submitted two plan change options and is recommending that the Council give strong consideration to the following proposal. Make the following changes to our current Health /Dental Care Plans: Health Plan: <ol style="list-style-type: none"> Raise deductible from \$500 (2x Family) to \$750 (2x family) Decrease coinsurance from 90%/70% to 80%/60% MEDCO Option B-C-D Dental Plan: <ol style="list-style-type: none"> Decrease annual Maximum from \$2000 to \$1000 Decrease coinsurance from 100%/80%/50%/50% to 90%/70%/40%/40%. 	
1. Options discussed	<ul style="list-style-type: none"> If the City would amend there current Health and Dental Plan as presented above, the total increase of new monies would be reduced to 12%. In addition, due to the current reserves in the Insurance Fund, the City could cover 50% of the increase with these funds and there fore pass on only a 6% increase to those participating for the year July 1, 2011- June 30, 2012. This would allow us to provide control in the cost increase shared by everyone in the coming year and still maintain reserves in the Insurance Fund to utilize for the next renewal if necessary. A discussion about the impact on the insurance participants followed. It is understood that the suggested changes in the plan documents will in fact cost more expense for the participants in the coming year; however, the changes along with the use of reserve funds will help to maintain overall costs. 	Clerk Wescott will discuss the options with the IPBC representatives and confirm pricing to finalize plans for the Finance Committee to make recommendation at a Special Meeting prior to the 4-19-2011 Council meeting.

b) Investment Review	<ul style="list-style-type: none"> • The committee members reviewed the investment report prepared by Deputy Clerk Conklin. Clerk Wescott shared that this report will now be presented on a monthly basis vs. current quarterly reporting. • Mr. Boseniller, Citizen asked the Committee why the funds of the City were not invested in programs that presented a better return for the City. He was advised that the municipality by State Statute is limited on the type of investments that it can make. 	Investment report accepted as presented.
3. Discussion/Review of Budgets 2011-2012	<ul style="list-style-type: none"> • Mr. Downey presented the expenditure sides of the following budgets for review and considerations by the committee: Fire Department, Police Department, Industrial Development, Utility Office, Administrative, Street and Water Department. Following a lengthy review of each line of the budgets, the committee accepted the expenditure sides of the budget pending final revisions. The committee is scheduled to meet again on March 30, 2011 to review final recommendations for approval. 	Accepted as presented pending final revisions and revenue listings.
5. Adjournment	<ul style="list-style-type: none"> • With no other business scheduled to come before the committee, Chairman Kuhlemier called for adjournment of the meeting. • Next Meeting: Special Meeting March 30, 2011 @ 6:30 p.m. 	Meeting adjourned @ 9:00 p.m.

Glen R. Kuhlemier, Committee Chairman