

CITY OF ARCHER COMMISSION 2011-2012 BUDGET MEETING WORKSHOP MINUTES

Tuesday, July 12, 2011 Time: 2:00 PM

MINUTES, WHICH ARE PUBLIC RECORD, ARE NOTES TAKEN TO PROVIDE A SUMMARY MEMORANDUM OF MEETINGS OR HEARINGS AND CONTAIN ALL OFFICIAL ACTIONS TAKEN. MINUTES ARE NOT INTENDED TO BE A WORD FOR WORD OR VERBATIM TRANSCRIPTION OF THE MEETING.

QUORUM CHECK:

Mayor Frank Ogborn
Vice Mayor: Marjorie Zander
Commissioners: Roberta Lopez
Blanch Parker
Gabe Green

Staff:

City Manager John Glanzer
Minutes Recorder Mary T. Flickinger

I. CALL TO ORDER

Mayor Ogborn called the meeting to order.

II. NEW BUSINESS

A. Presentation and discussion of 2011-2012 Budget.

City Manager Glanzer stated that Mr. Tim Owens, from Owens & Owens has been invited here today to discuss our insurance needs and present a comparison of available plans.

Mr. Tim Owens stated that some of the recent changes in Healthcare Reform include anyone under the age of 26, whether they are a full time student, living at home, or married, can now be carried on the family's healthcare plan. The spouse of the employee would have to be carried on a separate plan. Other changes due to be implemented are no limits on annual visits and no waiting period for pre-existing conditions.

City Manager Glanzer clarified that the spouse could not be covered under the employee's family plan.

Mr. Owens stated that now only a direct, legal, family dependent can be carried under the family plan.

Mr. Owens discussed that many drug companies are offering prescriptions at a reduced rate to those who contact the company directly.

Commissioner Parker asked what role insurance companies play in being sure that the person treating the patient is qualified.

Mr. Owens stated that there is a certification and qualification process that healthcare professionals must pass. Several insurance companies are using a star system alongside the physician's name, indicating that they have had the best outcomes for services.

Commissioner Green commented on preventive healthcare.

Mr. Owens stated that anything routine is covered at one hundred percent. For example, if a person is being checked out by a healthcare professional for a potential problem, which resulted in no treatment, this would be defined as a routine visit. If there is a diagnosis or a prescription attached to the visit, it would be linked to co-pays and insurance charges.

Mr. Owens referred the Commission to the informational packet outlining insurance plans and discussed the Group Demographics, the Current Health Plan, the Current Dental Plan and the Current Life Plan. The AFLAC Insurance has been renewed by the city and did not need to be discussed.

Commissioner Parker commented that seniors in good health who are not accessing the system are often taken advantage of because their rates increase.

Mr. Owens stated that statistics show that the older we get, the higher the risks are for healthcare issues.

Mayor Ogborn proposed allowing Mr. Owens to conclude his presentation and continue the budget discussion at the next workshop on July 19, 2011.

Mr. Owens concluded his presentation by discussing plan deductibles, in network and out of network costs, maximum out of pocket, co-pays, and prescriptions. Mr. Owens stated that he is proposing a plan that has some co-pays and a lower deductible for employees. Mr. Owens stated that the dental plan has no changes, but due to the dissatisfaction of the plan, he will investigate other dental plans and get back to the city with the information.

Mr. Owens stated that the life insurance is a group plan and each employee has \$25,000 of life insurance. If an employee would like a higher amount, this can be done as a supplemental plan. Mr. Owens stated that life insurance can also be purchased for children.

Commissioner Green asked if there is a life insurance policy available where employees could add cash value. Mr. Owens stated that there is, but it would cost a great deal more for this type of insurance.

City Manager Glanzer recapped that the next Budget Workshop will be held on July 19, 2011, at 2:00 pm.

B. Discussion of Maximum Millage rate for advertisement.

City Manager Glanzer stated that paperwork has to be submitted to the Property Appraiser's office by August 4, 2011, to generate the initial advertisement for the millage rate. The Property Appraiser's Office sends out the first ad and the city sends out the second ad.

City Manager Glanzer recapped that last year the Commission voted not to increase its millage rate to the rollback rate of 5.1526 and kept the rate at 5,0000 mills, reducing the overall tax burden on the community by 4%. This year our roll back rate is 5.0994.

City Manager Glanzer stated that it is always advisable to advertise a higher millage rate, even though we intend to charge a lower rate. This will give enough room in case something happens and more money is needed in the budget. If a low millage rate is advertise, the city is locked into that rate.

There are two meetings that are advertised in September and the millage rate can be changed at either one of those meetings.

This discussion of the millage rate will continue at the next budget meeting on July 19, 2011.

City Manager Glanzer called attention to the \$60,000.00 that was set aside in the budget under engineering fees to pay for rate studies and permitting fees if we go to construction next year. In recent discussions with David Keough and Wayne White, the general feeling is that \$45,000 would be sufficient to cover these items. The city will now have a \$15,000 cushion that could be used for other items.

III. ADJOURN MEETING


With no further business to discuss, Mayor Ogborn called for a motion to adjourn the meeting.

MOTION made by Commissioner Green to adjourn the meeting.

SECOND made by Vice Mayor Zander.



John Glanzer, City Manager



Frank Ogborn, Mayor