

**SPECIAL CITY COUNCIL MEETING  
WEDNESDAY, DECEMBER 2, 2015 – 5:15 PM  
POLICE TRAINING ROOM, CITY HALL**

Mayor Connors called the meeting to order at 5:35 p.m.

The Pledge of Allegiance was led by Mayor Connors.

**Roll Call.** Present: Mayor Connors, Aldermen Chappell, Kordus, Hill, Gelting, Kupsik, Hedlund. Absent: Aldermen Wall and Howell. Also Present: City Attorney Draper, City Administrator Oborn, Comptroller Pollitt and City Clerk Waswo.

**Comments from the public as allowed by Wis. Stats. §19.84(2), limited to items on this agenda, except for public hearing items. Comments will to be limited to 5 minutes.** None.

**Discussion/Action on health benefits plan design modification including changing from a self-insured plan to a fully-insured plan.** City Administrator Oborn noted he was hoping to get better numbers and had expected a 30% decrease. He thought the City would be rated on 100 employees but congress passed a bill basing it upon actual health insurance. As costs continue to increase, the City had to look at the option of going fully insured. Alderman Hill asked how the changes made recently in the plan design would fit into either of these models. Mr. Oborn replied they priced United Healthcare and WPS. The plan design that most closely matches the current plan shows savings of \$100,000 but there will probably be 10% increases. It would cost \$400,000 to opt out of the plan to transition to another. He didn't feel they should go into a fully-insured plan just to come back to a self-insured plan.

The two plan options have an in-network and out of-network benefit but the other plans do not have an out of-network benefit. To implement the HSA, we would need a PPO and an HSA. It would be difficult for retirees. The HMO option would greatly limit the amount of doctors people could go to. This option could be utilized in the self-insured plan as well for savings. Alderman Hill asked if currently someone on the plan could designate their own specialist without a referral. Mr. Oborn answered yes. He explained the State of Wisconsin offers 4 or 5 plans for employees to elect to go into. He noted it is an option but he would not recommend it. He stated they did price WPS but they were not even in the range. The League suggested WEA but they did not provide a quote as they did not think it would be competitive. We do have the option of looking at our own plan designs. There was a 16% savings from our old plan to the current, normalized plan. When it is compared to other plans, they have to use our old plan before the changes were implemented. To be fully insured and have an HSA, two plans would need to be offered. It would be too much administratively. Mayor Connors asked if we could offer that without being at a high deductible. Mr. Oborn said that was correct and there would be some payback from the employer into the HSA. The amount that is contributed back would count against the Cadillac tax. Mr. Oborn recommended continuing on our current approach. Given the difficulty and option for wellness, some people have dropped the plan. We don't have the data yet, but he wants to take a look at the results again in March. It makes sense to keep the plan on a calendar year rather than a fiscal year. Alderman Hill asked if this means it would make the most sense to stay as status quo. Mayor Connors answered it would cost more money to leave where we are at. Plus the plan design they came up with would be a penalty. Mayor Connors said the recommendation is to stay on our current course for now but work toward getting below the Cadillac tax. Alderman Hedlund asked if it is done for 2018 would it be off of the 2017 rates. Ms. Hill stated that would be her assumption.

**Resolution 15-R58, establishing ward boundaries for property recently annexed from the Town of Lyons**

Mayor Connors noted this was the property on the corner of 120 and Townline that was already annexed but a ward number has to be assigned to it. Ward 6 contains the Meadowlands property to its west and the apartment complex to its North; the thought was to roll it into that rather than ward 10 which is east of Edwards Blvd.

Kupsik/Gelting motion to approve.

Roll Call: Aldermen Chappell, Kordus, Gelting, Kupsik, Hedlund, Hill voting "yes." Motion carried 6 to 0.

**Resolution 15-R59, amending the 2016 Section 125 (Flex) Plan**

Mr. Oborn explained the IRS code requires a resolution of the governing body adopting it. The recommendation is to stay on a 12-month cycle and stay on the calendar year. The other change was that we were at a \$2,000 max and the law allows up to \$2,550. He is recommending an increase to the \$2,550.

Hedlund/Hill motion to approve.

Roll Call: Aldermen Chappell, Kordus, Gelting, Kupsik, Hedlund, Hill voting “yes.” Motion carried 6 to 0.

**Closed Session**

Hill/Hedlund motion to go into Closed Session pursuant to Wis. Stat. 19.85(1)(e) for deliberating or negotiating the purchasing of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session concerning:

- a. The Sale of City property located at 120 Sheridan Springs Road
- b. Lake Geneva Firefighters’ Association Labor Agreement

Roll Call: Chappell, Kupsik, Gelting, Hill, Kordus, Hedlund voted “yes.” Motion carried 6 to 0.

The Council entered into closed session at 5:59 p.m.

**Return to Open Session**

Hill/Hedlund motion to return to open session pursuant to Wisconsin Statutes 19.85 (2) and take action on any items discussed in closed session.

Roll Call: Chappell, Kordus, Hill, Gelting, Kupsik, Hedlund voted “yes.” Motion carried 6 to 0.

The Council reconvened in open session at 6:28 p.m.

Hill/Chappell motion to instruct staff to negotiate as discussed in closed session.

Roll Call: Aldermen Chappell, Kordus, Gelting, Kupsik, Hedlund, Hill voting “yes.” Motion carried 6 to 0.

**Adjournment**

Kordus/Hedlund motion to adjourn at 6:29 p.m. Motion carried 6 to 0.

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/s/ Sabrina Waswo, City Clerk

**THESE ARE NOT OFFICIAL MINUTES UNTIL APPROVED BY THE COMMON COUNCIL**