

# **JOINT MEETING OF THE PERSONNEL COMMITTEE & FINANCE, LICENSE & REGULATION COMMITTEE MINUTES**

**THURSDAY, OCTOBER 4, 2018 – 4:30 PM**

**CITY HALL, CONFERENCE ROOM 2A**

**Committee Members:** Ken Howell, Selena Proksa, Doug Skates, John Halverson, Cindy Flower, Shari Straube, and Rich Hedlund

Chairperson Mayor Hartz called the meeting to order at 4:32 p.m.

## Roll Call:

Clerk Kropf called the roll and noted that Howell, Proksa, Skates, Halverson, and Hedlund were present with Flower and Straube being absent and excused.

## 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 be limited to 5 minutes

Clerk Kropf read aloud a memo that the Utility Commission employees had sent earlier. The memo outlined that the Commission wished to see the joint committees choose the UHC + Difference Card and possibly explore a lower employee contribution percentage towards the monthly premium.

## Discussion/Recommendation regarding employee health insurance plan

Mayor Hartz started the discussion by recommending that the committees consider the UHC + Difference Card, that single plan holders pay a premium share, and that the spousal surcharge be eliminated. He noted that while both the UHC + Difference Card and the ETF Plan will save the City a considerable amount of money the UHC + Difference Card would cause the employees the least amount of disruption.

Finance Director Hall reviewed the City's current self-insured plan. She then outlined the numbers for the ETF plan along with the UHC + Difference Card. She then shared different employee premium share percentages for each plan. Hall stated that the highest deductible plan with ETF would allow the City to give their employees a HSA, at the discretion of the Council and Mayor. She also echoed that the spousal surcharge should be eliminated. As the City's current plan only has a single and family plan option and that singles don't currently have to pay a premium share. She felt that keeping the spousal surcharge would be "double dinging" employees who have a family plan.

Matt Chadwick of Cottingham and Butler addressed the committee. He echoed what Finance Director Hall and Mayor Hartz had stated. The choices were pretty simple, chose the plan that would save the City the most money with the most amount of disruption or chose the plan that would save the City a considerable amount of money with a minimal amount of disruption.

Flower joined the meeting at 4:51 p.m.

Chadwick explained that the City could set up a HSA to help offset some of the elevated costs from the higher deductible with the ETF plan. He warned that if the City did set up there might be changes with the City's current Flex Plan.

Hedlund is concerned that the UHC plan has only one year guaranteed and that there is nothing stopping them from increasing the cost of the plan exponentially next year. Chadwick did add that even if the costs were to go up by 20% the cost to the City would be the same as 2019 due to the run out costs. Hedlund stated that he is worried about the tax payers having to pay more money for health insurance so that employees do not have to change their doctors. He added that the ETF Plan has been showing to increase by only 5% every year. Hartz noted that there isn't a guarantee that the ETF Plan would have Aurora in 2020 and then the employees would be faced with having to choose a plan that doesn't have their current doctors.

Motion by Hedlund to choose the ETF Plan and the City's Health Insurance, second by Flower.

Flower noted that she is aware that the ETF Plan would cost the employees more in a monthly premium share, but wondered if the City could offer a wage increase or maybe an employee stipend. Skates and Howell spoke in favor of choosing the UHC + Difference card option. Halverson agreed with Hedlund's concerns, but feels that the UHC + Difference Card is a better option for the employees.

The motion by Hedlund was re-read.

The motion failed on a roll call voted 2-4, with Howell, Proksa, Skates, and Halverson voting no.

Motion by Howell to recommend the UHC + Difference Card to the Council for consideration, second by Halverson.

Motion carried on a roll call vote 4-1, with Flower voting no and Hedlund abstaining.

### **Adjournment**

Motion by Hedlund to adjourn, second by Skates. Motion carried 6-0. The meeting adjourned at 5:17 p.m.