

Budget and Finance Committee Meeting

Agenda

June 25th, 2020

5:30 PM

Present: Janet Sergent, Tami Christensen, Bryan Gartner

Absent: None

Visitors:

Mayor Norby, Clerk/Treasurer Redfield, Deputy Clerk/Treasurer Shanks, PWD Hintz, Chief Kraft,
Family Heritage: Liberty Kay, Natasha Skala, Miah-Joy Kay, Amanda Arndt, Seitz Insurance: Jeremy Norby, David Seitz,
MMIA: Alan Hulse

Family Heritage Presentation: Mrs. Arndt presented to the Budget and Finance for the Globe Life Family Heritage Insurance. She stated there is 3 types of policies: Cancer, Cardiac, and Accident and that the premiums are refunded to the individual minus any claims at the end of the policy. She further informed the Committee that the premiums can either be paid by the employee, if they elect to have it, either through payroll or directly out of their account, and that the policy stays with the individual even if they terminate employment with the City. Mrs. Arndt stated it was affordable, no lifetime limit additional insurance to workman's comp or major medical that pays directly to the individual for indirect costs such as loss of paycheck, living expenses, deductibles, travel expenses etc. She further stated that they will file the claim for the individual and work closely with them to ensure things are done quickly.

After discussion Alderwoman Christensen made a motion to recommend to allow Globe Life Family Heritage Insurance to present to the City staff on their coverage options, with should the employees elect the coverage it would not be ran through payroll, rather directly from the individuals account. Alderman Gartner seconded the motion, and with no further discussion, all present voted aye.

Workman's Comp: Mr. Norby presented the Budget and Finance Committee with a quote for switching the City's workman's comp coverage from MMIA to the State Fund, which would give the City a savings of around \$30,000. He stated that he knows that MMIA brings a lot to the communities and that they want to keep a collaborative effort. He stated they have been doing this with MACO and the State Fund for Counties. Mr. Norby explained how the State Fund workman's comp program works and what it would provide, including a Stewardship Team, coordinated safety efforts and trainings, fiscally responsible rates, and possible dividend returns after 3 years.

Mr. Hulse stated MMIA is an interlocal authority that was created, owned and governed by municipalities that started in 1986 with workman's comp insurance due to large issues municipalities were facing with rates and not being able to get coverage. Mr. Hulse stated he

cannot deny the large amount of savings for the proposal Mr. Norby presented and does not dispute its accuracy, but he does have concerns. His concerns included the State Funds having dropped more than 30% in 4 years, MMIA no longer being around to offer this coverage should the rates go up. He further stated that some other difference between MMIA coverage and the State Fund coverage is that MMIA absorbs the reinsurance costs, which have been increasing, 85% of the rates received goes to paying claims, and that because they are ran by municipalities they offer things specific to them such as blood borne exposure testing that other insurance companies such as the State Fund will not cover because it is not considered an injury. Mr. Hulse stated he has been tasked by the MMIA Board to look into the difference in rates and to make a plan on how to better serve municipalities in workman's comp and that he plans to do this by sitting down with people like Mr. Norby and Mr. Seitz and working with MMIA actuaries. He further stated that even with a 60% increase in the fire fighter code due to the presumptive coverage risks, which the State Fund did not do, MMIA's rates for that code is still lower. Mr. Norby stated that the presumptive coverage for volunteer fire fighters is optional and that most counties are not opting in at this time, but the City has elected to have that coverage. He further stated that with rates are due to exposures, and the State Fund's exposures are spread across many sectors, where MMIA's exposures are just with municipalities.

After much discussion, Alderwoman Christensen made a motion to recommend that the City stay with MMIA's workman's comp program for one more year to give them the opportunity to look into the issue and to reevaluate this coverage next year. Alderman Gartner seconded the motion, and with no further discussion, all present voted aye.

I-Compass App: City Clerk/Treasurer Chamberlin review the I-Compass App information, which would be the app that the City would use for Council meetings. She stated that with this app they will create a page on the City website, looking like the website, that will have all of the meeting agendas and agenda packet items that she designates as available for public use. She stated the constituents would also be able to sign up for alerts for any time an agenda would be posted. City Clerk/Treasurer Chamberlin stated she would create the agenda within the program, attaching each item to that agenda and marking it public or private. She stated the constituents can then see it via the website and the City Council members will see it via an app. She informed the Committee that the left side of their screen will have the agenda and then when they click on the attachments it will go up on the right side, so they will be able to view the agenda and item at the same time. She stated they will also be able to take notes on attachment items, and if the Council ever decides to upgrade to I-pads the notes will be what they handwrite on the tablet. City Clerk/Treasurer Chamberlin stated it will cost \$3,000 annually for this service, but they have waived the installation/creation fee. She further stated that although this is the app that she recommends the City use, she would like to wait to purchase the app until going paperless has been proven to work.

Alderwoman Christensen made a motion to recommend budgeting for the purchase of the I-Compass app, but to wait a couple of months before purchasing it. Alderman Gartner seconded the motion, and with no further discussion, all present voted aye.

FY2020-21 Police Department Budget: City Clerk/Treasurer Chamberlin presented the Budget and Finance Committee with the proposed budget for the police department, which she stated she is just looking for the Committee to review, not approve, as she needs to further review the entire budget first. She further stated Chief Kraft agreed to cut the \$60,000 in machinery and equipment and made other cuts within his budget. Alderwoman Christensen, after reviewing, stated it looked very good, and the other Committee members agreed.

FY2020-21 Public Works Department Budget: City Clerk/Treasurer Chamberlin presented the Budget and Finance Committee with the Public Works Capital Project and Equipment budget list, stating the Water and Parks Department are not done. She stated that PWD Hintz has either made cuts or maintained the same amount as budgeted in most of the funds and further outlined some of the proposed projects/purchases. Again, City Clerk/Treasurer Chamberlin stated she only wanted them to review the proposed expenditures and approve once the budget and reviewed in its entirety.

Meeting was adjourned at 7:11 pm.

Jessica Chamberlin, City Clerk

Janet Sergent, Committee Chair