

MEETING OF THE CITY OF CONNELL, WASHINGTON
CONNELL, FRANKLIN COUNTY, WASHINGTON

November 20, 2006

The Council Workshop of the City Council of the City of Connell was called to order by Mayor Walton at 6:35 pm at Connell City Hall.

ROLL CALL

PRESENT: Mayor Walton, Rhonda Quinton, Kent Mosbrucker and Jim Klindworth.

EXCUSED: Mayor Pro Tem Ron Boyer, Councilmember Monica Pruet

STAFF: City Administrator Art Tackett, City Clerk Treasurer Joan Eckman, and Deputy Clerk-Treasurer Maria ChavezPeña

MEDICAL BENEFITS FOR STAFF - DISCUSSION

City Administrator Art Tackett provided that the Finance Committee had met several times in regards to staff medical benefits and had not come to a consensus and felt that this topic should be brought before the Council. Historically the City Administrator picked a plan that was least expensive to the City and offered a lot of coverage for employees. This year employees had gotten together and discussed medical programs. Employees looked into switching to a PPO plan that would save the City approximately \$115 per month for the six employs who had full family coverage and would save approximately \$45 per month for those employees only covering their spouse. Total savings to the City if employees went to the PPO plan would be approximately \$14,224 per year whereas the City would save approximately \$9,501 per year if employees stayed on Plan B and made a 10% contribution. A question that was raised at the last Finance Committee Meeting was whether the City wanted to save money or whether the City was interested in having the employee pay a percentage of the benefit coverage. Employees would be willing to switch to the PPO Plan if they did not have to provide a cost share for benefits.

Differences between the two plans included more out of pocket cost and a higher maximum for the PPO. The PPO allowed for preventative care coverage for children and adults where Plan B did not offer any preventative care coverage. The PPO also had a \$10 copay for each doctor visit where Plan B did not have a copay but had an upfront deductible of \$100 per person with a \$300 maximum.

Mayor Walton commented that there were a lot of other cities looking into several options in regards to the cost of medical care.

Councilmember Mosbrucker expressed that for him the approach was not just to save money. It needed to start somewhere as medical premiums were just going up. Charging employees a minimal amount at 10% of premium for dependents seemed like a fair deal.

Councilmember Quinton commented that since it was the employees and their families who would be utilizing the plan that she would recommend going with the plan that employees preferred.

Councilmember Klindworth inquired about having employees pay a portion of medical premiums even if they switched to the PPO plan.

City Clerk Treasurer Eckman suggested Council come up with a percentage for employee contributions to present to the employees.

After further discussion Council came to a consensus to provide a choice to employees of paying a contribution of 3.5% for dependents on the PPO plan or paying a contribution of 10% for dependents on Plan B. Employees would pay a contribution of 3.5% for dental benefits.

Council directed City Clerk-Treasurer to drop the \$100 from the matrix that had been added at the beginning of the year.

WORKSHOP ADJOURNED

Mayor Walton adjourned the workshop at 7:46 pm.

Garland D. Walton, Mayor

ATTEST: _____
Maria T. ChavezPeña, Deputy Clerk-Treasurer