

September 30, 2014

ALLIANCE CITY COUNCIL

SPECIAL MEETING, TUESDAY, SEPTEMBER 30, 2014

STATE OF NEBRASKA)
)
 COUNTY OF BOX BUTTE) §
)
 CITY OF ALLIANCE)

The Alliance City Council met in a Special Meeting, Tuesday, September 30, 2014 at 7:30 a.m., at the Municipal Building, 324 Laramie Avenue. A notice of meeting was published in the Alliance Times Herald on September 24, 2014. The notice stated the date, hour and place of the meeting, that the meeting was open to the public, and that an agenda of the meeting, kept continuously current, was available for public inspection at the office of the City Clerk in City Hall; provided the Council could modify the agenda at the meeting if it determined an emergency so required. A similar notice, together with a copy of the agenda, also had been delivered to each of the City Council Members. An agenda, kept continuously current, was available for public inspection at the office of the City Clerk during regular business hours from the publication of the notice to the time of the meeting.

Mayor Feldges opened the September 30, 2014 Special Meeting of the Alliance, Nebraska City Council at 7:30 a.m. Present were Mayor Feldges, Council Members Benzel, Seiler and Yeager. Also present were Assistant City Manager Waggener and City Clerk Jines.

- Mayor Feldges read the Open Meetings Act Announcement and indicated a copy of the Act was posted on the north wall of the meeting room.
- Council’s first matter was to excuse the absence of Councilman Lewis as she was not able to attend the meeting due to a scheduling conflict and being out of town.

Roll call with the following results:

Voting Aye: Benzel, Feldges, Seiler, Yeager.

Voting Nay: None.

Motion carried.

September 30, 2014

- Claims approval was the next item to be addressed by Council. Councilman Benzel made a motion, which was seconded by Councilman Yeager to approve the claims as presented in the amount of \$1,535,981.84.

Roll call with the following results:

Voting Aye: Benzel, Feldges, Seiler, Yeager.

Voting Nay: None.

Motion carried.

- Council next discussed Resolution No. 14-107 which authorizes the renewal of the City's Health Insurance Policy. Council was provided with the following background information:

[Staff has negotiated a renewal of the City's health insurance programs administered through Regional Care Inc. (RCI). The current carrier, American National Life Insurance Company has proposed a less than favorable renewal rate that reflects an approximate 79% to 83% increase in maximum costs. As a result, staff is proposing to change carriers to Gerber Life Insurance with East Coast Underwriters, LLC as our reinsurance carrier in order to continue to provide the same level of coverage for City employees and their families. There is a possibility of employee premium changes for the upcoming year.

In the proposal, the actual premiums (fixed expenses) have increased, along with the requirement to fund for actual medical claims (anticipated expenses). The City of Alliance self-insures, therefore paying a certain level of claim coverage prior to the reinsurance company making payments. Our current level for claims payment is \$30,000 per covered individual, which will increase to \$35,000 for the upcoming plan year. The total for fixed and anticipated expenses reflects an overall increase of 60%.

The new insurance premiums will take effect on October 1, 2014.]

A motion was made by Councilman Benzel, seconded by Councilman Seiler to approve Resolution No. 14-107 which follows in its entirety:

RESOLUTION NO. 14-107

WHEREAS, The City of Alliance has engaged in a process of evaluating its current health care benefit plans offered to employees; and

WHEREAS, Various options and proposals have been considered by staff and the City's Third-Party Administrator, and staff has recommended the options contained herein; and

September 30, 2014

WHEREAS, The City of Alliance has received a proposal to renew its contract with the Third-Party Administrator, Regional Care Incorporated; and

WHEREAS, The City of Alliance has received a proposal to contract with Gerber Life Insurance and with reinsurance carrier, East Coast Underwriters, LLC, as set forth herein; and

WHEREAS, The proposal provides plan options from which benefit eligible employees may choose, which have varying deductibles and out-of-pocket expenses.

NOW, THEREFORE, BE IT RESOLVED, by the Mayor and City Council of Alliance, Nebraska, that the contract proposal with Regional Care Incorporated for Third-Party Administrator is hereby approved.

BE IT FURTHER RESOLVED, Monthly premium payments per employee to Gerber Life Insurance with East Coast Underwriters, LLC as the reinsurance carrier effective October 1, 2014, shall be as follows:

Specific Single Premium	\$ 132.10
Specific Family Premium	\$ 320.87
Aggregate Premium	\$ 36.94
Transplant Coverage	
Single	\$ 9.56
Family	\$ 21.98
Vision Coverage	
Single	\$ 8.16
Family	\$ 21.49
Life Insurance	
Single	\$ 7.25
Family	\$ 9.00

BE IT FURTHER RESOLVED, administrative service fees to Regional Care, Incorporated, shall be \$32.35 monthly per covered employee, effective October 1, 2014.

BE IT FURTHER RESOLVED, the City of Alliance shall make monthly payments into its Health Support Fund, effective October 1, 2014 for a wellness program as follows:

Per Single Employee	\$ 21.00
Per Family Employee	\$ 42.00

BE IT FURTHER RESOLVED, the City of Alliance shall make monthly payments into its Health Support Fund, effective October 1, 2014 for a dental program as follows:

Per Single Employee	\$ 17.98
Per Family Employee	\$ 59.34

September 30, 2014

BE IT FURTHER RESOLVED, the City of Alliance shall make monthly contributions to our Health Support Fund, effective October 1, 2014 for the payment of medical claims as follows:

Per Single Employee	\$ 683.39
Per Family Employee	\$1,699.21

Roll call with the following results:

Voting Aye: Benzel, Feldges, Seiler, Yeager.

Voting Nay: None.

Motion carried.

- Resolution No. 14-108 was the next agenda item. This resolution authorizes the City to honor the previous cost share proposal with Box Butte County for the replacement of sidewalk at the Courthouse location on the east side of the 600 block of Box Butte Avenue. Council was provided with the following background information:

[The City of Alliance received an application from Box Butte County dated August 25, 2011 for the Sidewalk Replacement Program. At that time, the Program provided for a 50/50 cost share. Subsequent September 6, 2011 minutes of the County Commissioners reflect payment approval of the County's 50% share (\$8,818.33); however, the check was never issued to the City and the project was not completed.

The City amended the Sidewalk Replacement Program via Resolution 13-101 on October 3, 2013 which provided for payment of \$200 per cubic yard by the City, but limited the participation for commercial businesses to a total of \$1,000.

The County Commissioners resurrected the sidewalk project discussion at two recent joint meetings with the expectation that the City honor the original participation agreement. It has been determined that there is ample budget authority remaining in the 2013-14 budget to fund the project as originally planned. City Staff sought direction from Council at their September 18, 2014 meeting with the consensus to present a resolution authorizing the payment when the improvements are completed. The funds will be available to Box Butte County upon completion of the improvements, with the stipulation that the improvements need to be completed within two years of this resolution.]

A motion was made by Councilman Yeager, seconded by Councilman Benzel to approve Resolution No. 14-108 which follows in its entirety:

RESOLUTION NO. 14-108

September 30, 2014

WHEREAS, The City of Alliance in 2011 approached Box Butte County with a cost share proposal for the replacement of sidewalk at the Courthouse location on the east side of the 600 block of Box Butte Avenue in the amount of Eight Thousand Eight Hundred Eighteen and 33/100ths (\$8,818.33); and

WHEREAS, To date, the project as proposed has not been completed; and

WHEREAS, On October 3, 2013 with the passage of Resolution No. 13-101 the City of Alliance modified our Sidewalk Replacement Program which limits the City's total participation to \$1,000 for any non-residential property; and

WHEREAS, At this time the City has sufficient funding available within the Street Fund, NCTCSNV-Sidewalk Rehabilitation (Account No. 24-41-41-44-485) to honor the intent of our previous cost share proposal with Box Butte County for the replacement of sidewalk at the Courthouse location on the east side of the 600 block of Box Butte Avenue; and

WHEREAS, The City Council believes it is in the best interest of the citizens of Alliance to make a payment in the amount of Eight Thousand Eight Hundred Eighteen and 33/100ths (\$8,818.33) to Box Butte County for the replacement of sidewalk at the Courthouse location on the east side of the 600 block of Box Butte Avenue once the project is completed; with the stipulation that the project is completed within the next two (2) years.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the City of Alliance, Nebraska, that Eight Thousand Eight Hundred Eighteen and 33/100ths (\$8,818.33) shall be utilized from the Street Fund, NCTCSNV-Sidewalk Rehabilitation (Account No. 24-41-41-44-485) for the replacement of sidewalk at the Courthouse location on the east side of the 600 block of Box Butte Avenue with the understanding that the project must be completed within two (2) years.

BE IT FURTHER RESOLVED that the Finance Director is authorized to make payment to Box Butte County upon completion of the sidewalk repairs for their facility located on the east side of the 600 block of Box Butte Avenue as long as the repairs are completed within two (2) years of this resolution.

Roll call with the following results:

Voting Aye: Benzel, Feldges, Yeager.

Voting Nay: Seiler.

Motion carried.

- The final agenda item before Council was Resolution No. 14-109 which authorizes the use of City Council Contingency Funds to supplement the RSVP Program. Council was provided with the following background information:

[The Alliance Retired and Senior Volunteer Program (RSVP) operates under the umbrella of the City of Alliance and has operated since 1973. The City

September 30, 2014

designates funds from the Community Betterment (KENO) Fund to supplement the Federal Grant received through the Corporation for National and Community Service (CNCS). City contributions were at the \$10,000 level in 2000 and were raised to \$13,000 in 2006 and to \$18,000 (the current level) in 2009. The current Federal grant is approved for \$32,866 with an extra \$1,500 for training and computer upgrades. Fundraising efforts (such as the annual chicken noodle dinner) along with special donations account for the remaining revenues of the organization. Over the years, Box Butte County and more recently Box Butte General Hospital have provided funding. (See the attached table and graph.) Recent year budgets have included a greater reliance on fundraising and donations.

The expense budget for RSVP includes a provision for 1.5 FTE including the full-time RSVP Director and the part-time RSVP Clerk. The wage and benefit costs of \$57,700 for 2013-14 account for 71% of the total expense budget (excluding the in-kind component). The City assumed the Handyman Program on July 1, 2014 which will result in a reduction of \$17,300 in wage and benefit costs for RSVP for the 2014-15 fiscal year along with the sharing of other program expenses.

Cash reserves have trended downward over the years and it is projected that the program will be overdrawn between \$5,000 and \$6,000 at fiscal year-end without special action. Approximately \$1,000 of the shortfall is a carryover from the prior fiscal year. The Friends of Box Butte County RSVP (a 501(c)(3) corporation) was formed to assist with fundraising efforts and funds have begun to be recognized as a result of their activities. Fundraising efforts usually require several years to gain momentum since contributors usually must build any donations into their annual budget. For the first time in 2013, RSVP was eligible for funding through United Way because of the new fundraising "arm" and received almost \$2,000 in 2014. There are plans to heighten awareness of the value of RSVP in the community and to further fundraising efforts in the coming fiscal year.

Several solutions are available to alleviate the current year cash shortage including:

- an advance of a portion of next year's funding,
- a short-term loan to be repaid from fundraising efforts,
- an injection of additional cash,
- an increase in the annual funding level,
- or a combination of the alternatives.

As mentioned above, RSVP's goal is to increase the fundraising efforts in the upcoming years and not request an increase in the City's annual funding level. Staff believes that the advancement of fundraising efforts RSVP has planned, along with the shared staffing of the Handyman Program will ensure a sustained program without further additional funding or reduction of staff. Therefore, Staff

September 30, 2014

is recommending a cash injection of \$6,000 before the end of the current fiscal year. These funds would be authorized from the Community Betterment Fund Contingency (GL 33-21-27-47-791) which was budgeted at \$20,000 for 2013-14. The remaining balance of the Community Betterment Fund would be just over \$68,000.]

A motion was made by Councilman Benzel, seconded by Councilman Seiler to approve Resolution No. 14-109 which follows in its entirety:

RESOLUTION NO. 14-109

WHEREAS, The City of Alliance has been the sponsor of the Alliance Retired and Senior Volunteer Program (RSVP) since 1973; and

WHEREAS, Funding for this program is through a Federal Grant received through the Corporation for National and Community Service which is supplemented by the City of Alliance with the use of Community Betterment Funds and fundraising efforts; and

WHEREAS, The RSVP has experienced a shortfall in the fundraising revenues this current fiscal year; and

WHEREAS, Steps have been actively taken through the establishment of a 501(c)(3) corporation – Friends of Box Butte County RSVP to improve their ability for fundraising; and

WHEREAS, RSVP is requesting the one-time injection of \$6,000.00 to meet their current revenue needs for this fiscal year.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the City of Alliance, Nebraska, that Six Thousand Dollars (\$6,000.00) shall be transferred from the Community Betterment Fund Contingency Account (33-21-27-47-791) to support the RSVP activities.

BE IT FURTHER RESOLVED that the Finance Director is authorized to make the transfer from the Community Betterment Fund Contingency Account into the appropriate line items of the RSVP division's budget.

Roll call with the following results:

Voting Aye: Benzel, Feldges, Seiler, Yeager.

Voting Nay: None.

Motion carried.

September 30, 2014

8

- Mayor Feldges stated, "there being no further business to come before the Alliance City Council, the meeting is adjourned at 8:35 a.m."


Fred Feldges, Mayor

(SEAL)


Linda S. Jines, City Clerk