

COUNCIL WORK SESSION – SEPTEMBER 19, 2016

The work session of the Common Council of the City of Marshall was held on September 19, 2016 in the Community Room at the Marshall-Lyon County Library, 201 “C” Street. The meeting was called to order at 5:30 P.M. by Mayor Byrnes. In addition to Byrnes the following members were present: Schafer, Doom, Bayerkohler, DeCramer, Sturrock and Conyers. Absent: none. Staff present included: Nick Johnson, City Administrator; Glenn Olson, Director of Public Works/City Engineer; Karla Drown, Finance Director; Sheila Dubs, Human Resource Manager; Doreen Peterson, Human Resource Assistant and Jane DeVries, City Clerk. Others in attendance were: Sheldon Kimpling from Bremer Insurance, Bill Chukuske from Chukuske Insurance Services, Thomas M. Meulebroeck former Finance Director and Deb Gau from the Marshall Independent.

CONSIDER 2017 LEAGUE OF MINNESOTA CITIES INSURANCE TRUST PROPERTY/CASUALTY AND LIABILITY INSURANCE:

Sheldon Kimpling from Bremer Insurance was in attendance at the meeting to review the City’s Property, General Liability, Auto, Liquor Liability, Excess Liability, Airport and Boiler Insurance effective October 1, 2016. The major changes addressed were:

1. Overall, the experience rating the LMCIT has assigned to the City of Marshall increased slightly from .824 to .833. This experience factor had decreased quite drastically last year.
2. Property Coverage had a slight decrease but premiums are higher primarily due to Red Baron™ Arena and Expo and the MERIT Center.
3. General Liability Coverage the Municipal Liability rate increased by about 2% and there was a slight increase in exposure.
4. Auto Coverages – The Auto Liability rate increased by about 2% and a slight increase in the experience mod for this class.
5. Liquor Liability had no rate change but the exposure (estimated receipts) increased by \$635,000.
6. Airport Liability Coverage – We locked in the rate for a 3-year guarantee last year so no rate changes through next year.
7. Boiler Coverage This coverage took a 9% rate increase and had an exposure increase similar to the property coverage.
8. Bond Coverage – Slight rate decrease in rate.

Sturrock moved, Schafer seconded, approval of the renewal of the LMCIT Property, General Liability, Auto, Liquor Liability, Excess Liability, Airport and Boiler Insurance for October 1, 2016 through September 30, 2017 in the amount of \$374,643.00. All voted in favor of the motion.

CONSIDERATION OF HEALTH INSURANCE RENEWAL WITH BLUE CROSS AND BLUE SHIELD OF MINNESOTA:

Bill Chukuske from Chukuske Insurance Services was in attendance at the meeting to review the City’s Health Insurance effective January 1, 2017. Mr. Chukuske indicated that the City received renewal rates from the Southwest West Center Service Cooperative. The initial proposed rate increase was 16.8%. Mr. Chukuske indicated that he was able to negotiate that rate down to a 6.5% increase for 2017.

COUNCIL WORK SESSION – SEPTEMBER 19, 2016

Sheila Dubs, Human Resource Manager, reviewed the two Employee Health Plan Summaries. Past practice has been Option B.

The preliminary budget includes a 15% increase in health costs.

Ms. Dubs indicated that new employees are eligible for insurance benefits the first of the month following 30 days of employment. There has been discussion regarding this being changed to new employees being eligible for insurance benefits the first of the month following date of hire.

An open enrollment meeting for all employees has been scheduled for October 25th.

Following considerable discussion DeCramer moved, Bayerkohler seconded, the approval of Option B for the health insurance renewal with Blue Cross and Blue Shield of Minnesota. All voted in favor of the motion.

Schafer moved, Doom seconded, that new employees be eligible for health insurance coverage effective the first of the month following their date of hire. All voted in favor of the motion.


REVIEW 2017 PRELIMINARY LEVY AND BUDGET RESOLUTION:

Nick Johnson, City Administrator, reviewed the Preliminary Levy which reflects an increase of 2.21% for General Fund. He also reviewed the Preliminary General Fund Budget for 2017. This is required for adoption by the end of September in accordance with State law.

Doom moved, DeCramer seconded, the adoption of RESOLUTION NUMBER 4306, SECOND SERIES which is a resolution Adopting the Preliminary 2017 General Fund Budget. All voted in favor of the motion.


Schafer moved, DeCramer seconded, the adoption of RESOLUTION NUMBER 4307, SECOND SERIES which is a resolution Approving the Preliminary 2016 Tax Levy, Collectable in 2017 for a total levy of \$6,144,285. This resolution also sets the date for the public hearing. The public hearing will be held at 6:00 P.M. on November 29, 2016 in the Professional Development Room at Marshall Middle School. All voted in favor of the motion.

Schafer moved, Conyers seconded, the meeting be adjourned. All voted in favor of the motion.



Mayor

ATTEST:



City Clerk