

## **OCTOBER 3, 2019, FINANCE COMMITTEE MEETING MINUTES -OCTOBER11**

5:15 p.m. City Hall. Members present: B. Groothousen, M. Platteter. Absent: B. Stoneberg. Others: A. Christianson 1 and 2, T. Devine, K. Gorsegner, K. Julien, S. Kavanagh.

### **Call to Order:**

Committee Chair Platteter called the meeting to order and presided.

### **Budget Review:**

Asst. DPW Parker, who has taken a lead in keeping the 2020 budget spread sheet up to date, provided some of the following updates on key information needed to finalize it. Clerk Kavanagh and DPW Gorsegner also did so.

-SecurityHealth has quoted a 10.2% increase in health insurance premiums which reflects the City's claim history. The total cost for health insurance for 2020 is estimated at \$665,000. It was about \$600,000 for 2019. This increase is mostly offset by the City's worker's compensation premium being down \$38-40,000.

-The wage increase built into the budget is 3%.

-State Shared Revenues are expected to increase by \$19,164.

-Computer aid is up from \$8,500 to \$9,094.53.

-State road aids are projected at \$287,815.33, up \$238,638.49 for 2019.

Mention was made of how increased deductibles offset by HSAs helped the local School District reduce health insurance costs. Something similar could be investigated next year. Current deductibles are \$1,500 for the family plan 21 employees have, and \$500 for the single plan that 6-7 employees have.

Last year's tax levy was \$8.92 per \$1,000 of property value.

### Library

It was noted, in response to a question, that an HVAC specialist toured the library Oct. 1<sup>st</sup> with the purpose of determining whether improved ventilation in the upper level will help resolve issues with moisture on wall cavities.

### New Positions

It was noted that, while proposed total budget expenditures are down from 2019, the 2020 proposal includes an additional f.t. position in the PW Dept. and an additional h.t. position in LPD. Both these departments point out that these positions replace previous ones that were not filled after being vacated. Both also assert that they cannot keep up with work requested.

### Impact

Chair Platteter asked Mr. Devine to calculate the net impact of proposed employee wage and salary increases coupled with increased insurance premiums, which employees pay a portion of.

### **Action:**

Motion was made by Platteter, seconded by Groothousen and carried by voice vote to recommend that the Council accept and lock in SecurityHealth's premium quote for 2020.

### **Next Meeting:**

The Committee will plan to meet again on Thursday, October 10, at 5:15 p.m.

### **Adjourn:**

The meeting adjourned before 7 p.m.