FINANCE COMMITTEE

DECEMBER 10, 2014

The meeting was called to order at 5:30 p.m. by Chairman Tom Mackin. Committee members present were Todd Grayson, Tom Mackin and Jim Matuszak. Also present were Bridgette Kabat, City Administrator, Dave Creps, Finance Director, Mathew Beredo, Law Director, Tim Fisher, Deputy Finance Director, and Steve Bronder, Income Tax Commissioner.

HEALTH INSURANCE RENEWAL

Matt Holzemer was present to speak to the Committee about the health insurance renewal. He said claims were down from the previous year, and we were reimbursed from the stop loss carrier for a large claim from last year. He provided the Committee with information regarding the bids received, and he recommended renewing with NFP and IHC. He said that the fixed costs increased by only 2.1% and the aggregate costs are up only .8%. Mr. Mackin asked if the Administration agrees with the recommendation. Ms. Kabat said there were a few bumps at the beginning but Mr. Holzemer helped us through it. She said that she has spoken to other communities and no one is seeing increases this low. The Committee agreed 3-0 to recommend approval of a contract with NFP and IHC for the City's health insurance administration.

DOWNTOWN RESTROOM UPDATE

Ms. Kabat said that there are a couple of possible locations for downtown restrooms, and the Administration hopes to have a recommendation before next month's committee meeting. Mr. Matuszak asked if these locations involve leasing or acquiring property. Ms. Kabat said that they involve acquiring property.

FINANCE DIRECTOR'S REPORT

The Committee reviewed the list of expenditures over $5,000 for the month of November.

Mr. Creps reported that the balance in the health insurance fund as of November 30, 2014 was $284,152.81. He said we are where we should be, and he will be backing out the ending balance when calculating fees for next year.

Mr. Creps called attention to the amended 2014 appropriations, estimated revenues and cash transfers that were sent to the Committee. He said that these are housekeeping items that are done each year. He noted that the overall effect to the General Fund on the amended appropriations is zero. Mr. Matuszak asked what amount or percentage of the budget is not specifically appropriated or designated for a specific project. Ms. Kabat said that she and Mr. Creps will try to come up with the material amounts in the budget that meet this criteria. Mr. Mackin asked if we are saving as much as we had planned in the refuse budget. Ms. Kabat said that we have recognized savings in a lower number of employees and a cut in workers' compensation claims, but we thought we would receive revenue for recyclables but we have had to pay to dispose of them. Mr. Grayson said there are no transfers to the police and fire pension fund this year, but $200,000 was transferred from the General Fund last year. He asked if any of that will be repaid. Mr. Creps said that it will be repaid in the future. The Committee agreed 3-0 to recommend approval of the amended appropriations, amended estimated revenues and cash transfers.

TAX COMMISSIONER'S REPORT

Mr. Bronder reported that for the month of November, the Tax Division collected a little over one million dollars which is a 16% increase over the same month last year. Year to date collections are over $15.6 million which is an increase of 5% over the same period last year. Mr. Grayson asked what amount is budgeted for tax revenue for 2015. Mr. Creps said it is $16,250,000 and when they work on the budget amendment, he will sit down with the Mayor and Administrator and see what amount they feel comfortable with.

OTHER BUSINESS

Mr. Grayson said that we are losing the Carronade roundabout for at least a year and he wondered how it will be handled in the budget. Ms. Kabat said that they will leave it as is for now and will deal with it during the budget amendment process.

There being no further business, the meeting adjourned at 6:31 p.m.

Respectfully submitted,

Thomas G. Mackin

Tom Mackin, Chairman
Finance Committee

Next regular meeting: Tuesday, January 13, 2015 at 5:00 p.m.