

City of Muskegon
City Commission Worksession
May 12, 2014
City Commission Chambers
5:30 PM

MINUTES

2014-34

Present: Commissioners Rinsema-Sybenga, Gawron, Johnson, German, Turnquist, and Spataro.

Absent: Hood.

Sister Cities Presentation.

Ann Cummings, City Clerk, announced a Celebrity Waiter Fundraiser for Sister Cities on Thursday, June 19, 2014.

2014-15 Healthcare Renewal.

It is time to renew the City's healthcare coverage for 2014-15 plan year (6/1/14/-5/31/15). Renewal premiums for the city's current healthcare program came in at an 11.68% increase over the current year. However, by changing to an 80/20 coinsurance plan and increasing the deductible from \$1,000/\$2,000 to \$2,000/\$4,000, the net result is a premium decrease of 2.62% from the current year. Last year we experienced a 5.04% increase and in 2012-13 the increase was 7.9%. In comparative terms, many employers are experiencing sharp double-digit rate increases. Also, the City's healthcare costs remain well below the "hard cap limits" set by PA 152 and remain cost competitive with the standards set by EVIP for new hires. These are good independent indicators that the City's program is cost-effective.

For 2014-15, the City will continue to pay the HRA deductible if the employee and spouse completed the four-step wellness initiative prior to April 30th; non-participants in the wellness program will continue to pay the first \$500 (single)/\$1,000 (double/family) of the deductible.

Julie Balgoolyn, the city's insurance representative, stated nine city employees reached the deductible last year. The 80/20 will take place once the deductible is met. Most employees will not realize a significant difference.

Derick Smith, Finance Director, explained the overall program.

This item will be placed on the May 13, 2014 City Commission meeting for Consideration.

Civil Service Recommendations.

The Civil Service Commission is proposing the Commission consider placing a question on the ballot eliminating the rule of three under the current Civil Service rules. The rule of three allows the top three candidates with the highest scores to be interviewed by a department. The department must select one of the three. Under the new proposal, all qualified applicants with a passable score may be considered for hire.

The City Commission has asked that ballot language be drafted for review.

Beach Warning System.

Westshore Emergency Systems, Allendale, Michigan, is currently creating a system similar to an advanced weather alert system for the beach. If approved, the system, a cement tower that is 30 feet tall, would be placed at the breakwater at Pere Marquette and by the Water Filtration plant.

Several lights would activate when the waves hit three feet or more. A very clear and concise chime would be heard on the beach when the system is activated. It would be activated during the most popular times to swim, but not in the evenings. The system could be in place by mid July. It is a pilot program and is estimated to cost between \$60,000 and \$70,000. Annual maintenance is estimated to be \$800. Some private donors have indicated they would donate towards this endeavor.

Commissioners requested staff to continue research into a system that may fit the needs of the city.

Adjournment.

Motion by Commissioner German, seconded by Commissioner Spataro to adjourn at 6:31 p.m.

MOTION PASSES

**Ann Marie Cummings, MMC
City Clerk**