

THE CITY OF FAIRVIEW HEIGHTS

**OPERATIONS COMMITTEE MINUTES
Wednesday, March 10, 2021, 6:45 p.m.
Fairview Heights Recreation Room
Video Conference/Tele Conference
Fairview Heights, IL**

Committee Members in attendance – Aldermen Josh Frawley, Pat Baeske, Pat Peck, Denise Williams, Mayor Mark Kupsky, Ex-officio

Committee Members absent – Alderman Anthony LeFlore

Other Aldermen and Elected Officials in attendance – Aldermen Frank Menn, Ryan Vickers, Harry Zimmerman, Bill Poletti, City Clerk Karen Kaufhold

Staff in attendance - City Attorney Andrew Hoerner, Public Works Director John Harty, Police Chief Chris Locke, Police Captain CJ Beyersdorfer, Parks and Recreation Director Angela Beaston, Finance Director Gina Rader, Human Resource Manager Becky Thompson

Recorder – Jill Huffman

Public Participation

None

Approval of Minutes, February 3, 2021

Motion and second to approve minutes were made by Aldermen Baeske/Peck. Roll call vote - Frawley, Baeske, Peck, Williams voted yes. The motion carried by voice vote and was unanimous.

Personnel Committee

Denise Williams, Chairman

HEALTH INSURANCE RENEWAL

Bob Stewart, the Insurance Broker of Record for the City, relayed a premium of \$1.7 million and claims of \$1.4 million for a loss ratio of 81.6 percent. Last year's loss ratio was 105.8 percent. He believes that the number change was due to medical procedures which were not mandatory and postponed due to COVID. Also, there were people within the City that were treated for COVID. Mr. Stewart stated that insurance companies like the loss ration around 80 percent, therefore, 81.6 percent is very good. He stated that there are five claims over \$75,000 each from last year which are ongoing medical conditions. The calculated renewal action was 11.51 percent and was able to reduce it to an 8.72 percent. Mr. Stewart reminded United Health Care that the City does not have a property tax and is living off the sales tax revenue and that the

COVID crisis affected the this municipality more than others. Eventually, the increase was negotiated to a 4.97 percent increase. Regarding the dental insurance, a 3.5 percent increase was proposed and eventually agreed to no increase for dental. Mr. Stewart stated that the City is in the middle of a two-year rate guarantee for vision, therefore, no rate change. The union contract does not make provisions for benefit changes unless the changes are mandated by legislation. There are a few minor changes to the plan due to changes in law, otherwise the City has the same benefits as the last fourteen years. It was discussed that last year's increase was approximately at 8.75 percent due to a bundling discount.

Alderman Peck relayed to Mr. Stewart that, given the financial situation of the City, she appreciates the work he has done.

Motion and second to forward a Resolution to City Council with recommendation of approval the renewal of the City's health insurance at the rate increase of 4.97 percent by Aldermen Baeske/Peck. Roll call vote: Frawley - abstained, LeFlore – absent, Baeske - yes, Peck - yes, Williams - yes. The motion carried by voice vote and was unanimous.

Alderman Williams thanked Mr. Stewart, the Mayor and all involved in the process of renewing the health insurance benefits for the City.

Public Services Committee

Alderman Pat Baeske, Chairman

RESOLUTION FOR IMPROVEMENT UNDER THE ILLINOIS HIGHWAY CODE UNION HILL/LONGACRE LOCAL MATCH

The Director of Public Works presented a Resolution under the Illinois Highway Code which utilizes Motor Fuel Tax funds and, in particular, the City's match for the construction/installation of the traffic signals at Union Hill Road and Longacre Drive project. The invoice of \$41,519.73, included with the Agenda packet, is the first invoice and a subsequent invoice will be forthcoming. This request for \$60,000 of Motor Fuel Tax funds to the State should pay the City's total share of the project.

The Mayor relayed that the Clerk's office is awaiting information/funds from the insurance company concerning repair to the wall which was damaged due to an accident.

Motion and second to forward a Resolution to City Council with recommendation of approval Resolution for Improvement Under the Illinois Highway Code for the use of Motor Fuel Tax funds totaling \$60,000 for the Union Hill/Longacre Drive intersection improvements by Aldermen Peck/Williams. Discussion: Alderman Frawley questioned the benefit of the City asking for funds when the second invoice has not been received? What happens when there are unobligated funds building up in the account? The Director replied that originally, this was to be a Home Rule expense. The State advised that to utilize Motor Fuel Tax funds, each invoice could be submitted or an estimate of total cost could be utilized, and since construction is complete, he believes \$60,000 will cover both invoices. If there are funds remaining after payment of these invoices, the remainder will be returned to the Motor Fuel Tax unobligated balance to be used for the City's other local matches or maintenance. Alderman Frawley questioned if Motor Fuel Tax funds could be utilized for rolling stock or only associated with street sweeper vehicles. The Director stated that funds could be utilized for equipment specific to Motor Fuel Tax eligible tasks. Alderman Frawley questioned if this would include the Police

Department's patrol vehicles to which the Director replied he does not believe so. Roll call vote: Frawley - yes, LeFlore - absent, Baeske - yes, Peck - yes, Williams - yes. The motion carried by voice vote and was unanimous.

DIRECTOR'S REPORT

The Director of Public Works presented his written report to the elected officials for their review.

Adjournment 7:13 p.m.

Submitted By:



Recorder