

RESOLUTION NO. 4983

A RESOLUTION ESTABLISHING PREMIUMS FOR ELIGIBLE PARTICIPANTS IN THE CITY OF KEWANEE SELF-INSURED HEALTH CARE PROGRAM, AND DECLARING THAT THIS RESOLUTION SHALL BE IN FULL FORCE IMMEDIATELY.

- Whereas,** the City of Kewanee provides health care coverage for its qualified employees and other eligible participants through a self-insurance program with expenses and revenues run through Fund 74 Self-Insurance Health Reserve Fund with the goal of providing the best value for the money spent for health care costs for members, which requires devoting only the necessary amount of resources and reserve funds to this use; and,
- Whereas,** The premiums previously established for said self-insured health care coverage provided by the City of Kewanee were established by Resolution 4902, adopted October 14, 2014; and,
- Whereas,** Kewanee City Code Section 37.02-(E) requires a minimum balance in Fund 74 equal to, or in excess, of thirty percent (30%) of the average of expenses in said Fund 74 for the past three fiscal years; and,
- Whereas,** The balance in Fund 74 has decreased approximately \$200,000 over the last 16 months due to increased utilization by members of the health care plan; and,
- Whereas,** The change in the pattern of Fund 74 expenses and usage, combined with the increased fixed costs of the self-insurance program for CY2016 has caused the Director of Finance & Administrative Services to recommend that the monthly premiums used to allocate health care expenses to members and various other Funds of the City be increased to match the current and projected conditions of expenses, revenues and reserve balance for Fiscal Year 2016-2017 and going forward; and,
- Whereas,** The City's health care insurance consultant Cottingham & Butler have recommended establishing monthly health care coverage premiums, which are projected to generate approximately \$1.45 million annually, which appears to be equal to the projected annual costs of the health care coverage; and,
- Whereas,** The City Council finds it to be in the best interest of the community to amend the premiums for monthly health care coverage and right-size the ongoing revenues, expenses and reserves in Fund 74 for the most efficient use of resources.

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF KEWANEE THAT:

- Section 1** The preambles above are hereby made part of the resolution as if fully recited below.
- Section 2** The following monthly premiums shall be, and hereby are, established for the City of Kewanee self-insured health care coverage (including dental/vision) commencing on May 1, 2016.

Category	Single	Family
Medical	\$566.41/month	\$1,416.02/month
Dental	\$22.26/month	\$58.30/month
Vision	\$4.77/month	\$7.95/month
Med. + Den. + Vis.	\$593.44/month	\$1,482.27/month

Section 3 This resolution shall be in full force and effect immediately upon its passage and approval as provided by law.

Adopted by the Council of the City of Kewanee, Illinois this 9th day of May, 2016.

ATTEST:


 Melinda Edwards, City Clerk


 Steve Looney, Mayor

RECORD OF THE VOTE	Yes	No	Abstain	Absent
Mayor Steve Looney	X			
Councilmember Deann Schweitzer	X			
Councilmember Andrew Koehler	X			
Councilmember Kellie Wallace-McKenna	X			
Councilmember Michael Yaklich	X			

