

Committee-of-the-Whole Agenda

6:30 p.m.

Tuesday, July 15, 2014

Informational

The Mills of Riverbend Commons (Christopher Woods, Three Corners Development)

2015 Capital Improvement Plan (Scott Hinton, City Engineer)

Questions on the Agenda

Agenda Items

- 1. Approval of Contract with Miller Trucking and Excavating.** (Scott Hinton, City Engineer)
- 2. Tobacco Enforcement Program Grant.** (Kim Hankins, Police Chief/Public Safety Director)
- 3. An Agreement with R.J. Lee & Associates, LLP** (Alison Fleming, Human Resources Manager)
- 4. An Agreement with United Healthcare Services Inc.** (Alison Fleming, Human Resources Manager)
- 5. Pension Funding Policy.** (Kathy Carr, Finance Director)
- 6. Actuarial valuation reports for the Police and Firefighters' Pension Funds.** (Kathy Carr, Finance Director)
- 7. Other**

Explanation

1. Approval of a Contract with Miller Trucking and Excavating for Project #1193 River Drive Utility Relocations. (Scott Hinton, City Engineer)

Explanation: Bids were opened and publicly read on June 24, 2014, for Project #1193 with the following results:

| | |
|----------------|----------------------|
| \$1,791,644.25 | Miller Trucking |
| \$1,888,891.50 | Valley Construction |
| \$1,923,788.00 | Langman Construction |
| \$2,069,517.80 | Brandt Construction |
| \$2,483,273.25 | McCarthy Improvement |

Staff Recommendation: Staff recommends approval of a contact with the lowest responsible and responsive bidder, Miller Trucking and Excavating.

Fiscal Impact: Funds are budgeted and available as follows:

| ACCOUNT | BUDGETED | AS-BID | |
|-------------|----------------|----------------|--------------------|
| Utility Tax | 280,000.00 | 547,424.25 | 510-9965-438.04-25 |
| Water | 300,000.00 | 243,664.00 | 310-1716-434.08-45 |
| WPC | 900,000.00 | 999,981.00 | 320-1840-433.08-30 |
| Storm | | 575.00 | 330-1971-433.08-35 |
| | \$1,480,000.00 | \$1,791,644.25 | |

Goals Impacted: Strong Local Economy
Improved City Infrastructure & Facilities

2. Tobacco Enforcement Program Grant. (Kim Hankins, Police Chief/Public Safety Director)

Explanation: The Illinois Department of Revenue (Liquor Control Commission) has awarded the police department a grant of \$5,940.00 to conduct a retail education and enforcement program with Moline tobacco retailers. The program requires that three compliance checks be conducted during the term of the agreement, August 1, 2014 through June 30, 2015. Execution of a Contractual Agreement is required for acceptance of the grant.

Staff Recommendation: Approve.
Fiscal Impact: No cost to budget; grant of \$5,940.00
Goal Impacted: Financially Strong City

3. A Resolution authorizing the Mayor and City Clerk to enter into an Agreement with R.J. Lee & Associates, LLP of Moline, Illinois, for health benefit consulting services for a period of one year commencing on August 1, 2014. (Alison Fleming, Human Resources Manager)

Explanation: R.J. Lee & Associates, LLP currently provides health benefit consulting services. The cost of services is \$22,000, which includes health plan data analysis, wellness program implementation, development of a long-term plan, analysis of retiree data and benefits and assistance with GASB45 compliance.

Staff Recommendation: Approval
Fiscal Impact: Budgeted in the Health Fund
Public Notice/Recording: N/A
Goal Impacted: Financially Strong City

- 4. A Resolution authorizing the Mayor and City Clerk to execute an Agreement with United Healthcare Services Inc. to provide administrative services and reinsurance for medical and prescription drug claims for a period of 5 months commencing on August 1, 2014.**
(Alison Fleming, Human Resources Manager)

Explanation: United Healthcare of the River Valley (UHCRV) currently provides claims administrative services and reinsurance for the City's health benefits plan. Due to audit requirements that UHCRV can no longer meet, the City is transitioning to the national platform with United Healthcare, which can provide the required audit information. There will be no increase in costs. Additionally, the City will save approximately \$250,000 per year by not having to hire an external firm to conduct an audit.

Staff Recommendation: Approval
Fiscal Impact: Budgeted in the Health Fund
Public Notice/Recording: N/A
Goal Impacted: Financially Strong City

5. Pension Funding Policy. (Kathy Carr, Finance Director)

Explanation: The Government Accounting Standards Board (GASB), the organization that oversees and establishes the City's required accounting standards, has released two new statements (GASB Statement No. 67 and No. 68) that will fundamentally change how state and local governments account for the cost of pension benefits in their financial statements. Previous accounting standards issued by GASB defined the annual pension Actuarially Required Contribution (ARC) for financial reporting purposes. These new statements separate pension accounting from pension funding and no longer define the ARC, so the City must adopt a pension funding policy to document how the ARC will be determined for the City's single employer pension plans, (Police and Fire). The effective implementation date for the City of Moline is for the fiscal year ending 12/31/2014.

Staff Recommendation: Approval
Fiscal Impact: N/A
Public Notice/Recording: N/A
Goal Impacted: Financially Strong City

6. Actuarial valuation reports for the year beginning January 1, 2014 and ending December 31, 2014 for the City of Moline Police and Firefighters' Pension Funds. (Kathy Carr, Finance Director)

Explanation: The sworn Police and Fire personnel of the City of Moline are covered by two pension plans that are defined-benefit, single-employer pension plans. The purpose of the annual actuarial valuation reports is to provide property tax levy requirements for the City's employer contributions.

Since 1988, the City has not used the actuarial calculations provided by the State of Illinois Department of Insurance but rather has hired an actuary to use Moline's specific financial information and related actuarial information for the calculation.

The City's recommended tax levy for police and fire pension will be an increase of \$436,746.00. This amount will be levied for 2014 as part of the total property tax levy considered in November.

Staff Recommendation: Approval
Fiscal Impact: Determines 2014 Property Tax Levy Collectible 2015.
Public Notice/Recording: Finance Staff will file with Illinois Department of Insurance, Public Pension Division
Goal Impacted: Financially Strong City
