

## **MEDINA CITY COUNCIL SPECIAL MEETING MINUTES OF OCTOBER 28, 2003**

The City Council of Medina, Minnesota met in special session on October 28, 2003 at 7:07 p.m. at Medina City Hall. Mayor Phil Zietlow presided.

**Members present:** Workman, Lane (arrived at 8:00 p.m.), Zietlow, Smith, Brinkman

**Members absent:** None

**Also present:** Administrator Chad Adams, Public Works Director Jim Dillman, Chief Ed Belland

### **2004 Employee Wages and Benefits**

Adams provided an overview of the City's membership with LOGIS, 2003 wages and benefits.

Adams discussed the Consumer Price Index (CPI) from a year ago, City comparisons, and the budgeted wages for 2004 at 3% (and 5% for new a few new employees).

Adams reviewed health insurance premium increases for 2004 (15% to 20.5%).

Adams provided a brief overview of the City's life insurance, dental insurance, long-term disability, sick leave, and vacation policies and contributions.

Discussion was held on the wage analysis and options. A decision on wage increases will be made after performance evaluations are conducted.

Discussion took place on the health insurance analysis and options. Councilors expressed most interest in Option #3, which would fund all single premiums, but lower the City's contribution to the lowest family premium plan amount for employee/spouse and employee/child. The family premium would be set at about \$840/month.

Option #6, to encourage employees' spouses to take their own employer-funded plans was discussed as an incentive. Zietlow suggested the dollar savings be used toward a deductible reduction or placed in an account if possible.

Dental insurance was discussed. Workman questioned the loss-ratio of the dental insurance suggested future cuts in this benefit if needed.

Lane arrived at 8:00 p.m.

Discussion was held on flex-spending accounts, medical savings accounts and health reimbursement accounts. These items will be considered more seriously for 2005, as LOGIS continues to move in that direction.

### **Adjournment**

Workman moved, and Smith seconded to adjourn at 8:30 p.m.

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Phil Zietlow, Mayor

Attest:

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Chad M. Adams, City Administrator