

RESOLUTION NO. 5163

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 4983, adopted May 9, 2016; 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 \$400,000 over the last 6 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 decreased fund balance have caused the administration 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 2019-2020 and going forward; and,
- Whereas,** The former City Clerk working with our health care insurance consultant, Cottingham & Butler, have recommended establishing monthly health care coverage premiums, which are projected to generate approximately \$1.625 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 June 1, 2019.

Category	Single	Family
Medical	\$708.63/month	\$1,709.54/month
Dental	\$27.85/month	\$70.38/month
Vision	\$5.97/month	\$9.60/month
Med. + Den. + Vis.	\$742.45/month	\$1,789.52/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 28th day of May, 2019.

ATTEST:


Deborah Johnson, Deputy Clerk


Gary Moore, Mayor

RECORD OF THE VOTE	Yes	No	Abstain	Absent
Mayor Gary Moore	X			
Councilmember Chris Colomer				X
Councilmember Mike Komnick	X			
Councilmember Steve Faber	X			
Councilmember Michael Yaklich	X			

