

City Council Meeting

October 21, 2015

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CITY OF
REXBURG
America's Family Community

October 21, 2015

Mayor Richard Woodland

Council Members:

President Sally Smith Jordan Busby

Donna Benfield Jerry Merrill

Christopher Mann Brad Wolfe

City Staff:

Stephen Zollinger – City Attorney

Matt Nielson – Finance Officer

Blair D. Kay – City Clerk

John Millar – Public Works Director

Val Christensen – Community Development Director

Scott Johnson – Economic Development Director

7:00 P.M. City Hall – Pledge to the Flag

Randy Reese led the pledge.

Cheryl Graham said the prayer.

Roll Call of Council Members:

Attending: Council President Smith, Council Member Mann, Council Member Merrill, Council Member Busby and Mayor Woodland.

Council Member Benfield and Council Member Wolfe joined the meeting via telephone.

Council Member Busby explained that Council Member Benfield is in Hawaii and Council Member Wolfe is in California.

Public Comment on non-controversial issues: not scheduled on the agenda (limit 3 minutes):

Presentations: Eric Conrad

Zimride – Shared transportation for BYU-I students to manage traffic, cars, people, etc.

– Eric Conrad

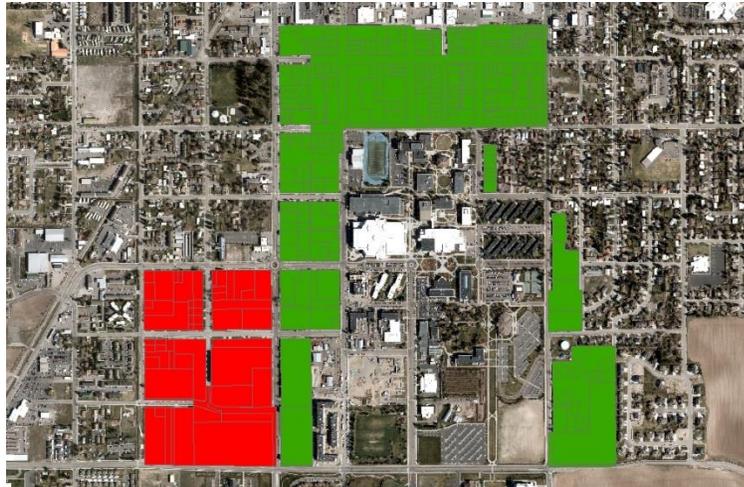
- ***Zimride*** is a private ridesharing network for BYU-Idaho students, faculty, and staff, in a nutshell, a digital ride board.
- ***It connects*** drivers and passengers
- ***It allows you to post rides*** as a driver wanting passengers or a passenger needing a driver
- ***It allows you to post regular commutes*** to work or running errands and allows you to post destination travel say to SLC and back
- ***It recommends a price*** to charge or the price you are willing to pay using algorithm based the mileage, which you can then adjust to what you think is reasonable
- ***It allows you to select the payment method*** you will accept or are willing to pay (cash, credit card, PayPal or all of the above)
- ***It notifies you of potential matches***, with which you can then book a ride
- ***It allows users to link their Facebook profile*** to their Zimride profile

- **BYU-Idaho's Zimride network is linked to BYU-Provo's Zimride network**, which means students, faculty and staff from both user groups can connect with one another

The Zimride link has some Zimride Verbiage about Zimride you may want to refer to as well.

<https://www.zimride.com/byui>

Eric Conrad presented the Zimride by Enterprise shared transportation concept. On the over-head projector he showed some questions or problems that Rexburg may have concerning transportation. He said there is differing views on who should take the lead on finding transportation solutions. There is the question of whether there are any private companies that could provide public transportation. He pointed out the PEZ (Pedestrian Emphasis Zone) on the map and the high number of students in those areas.



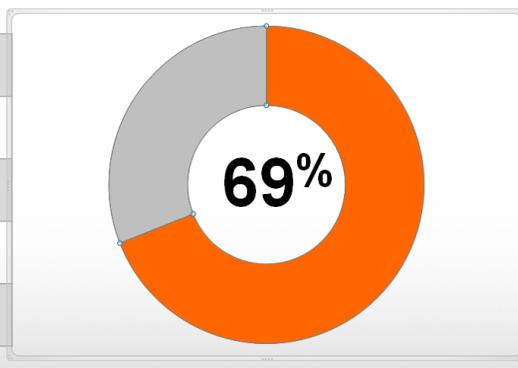
9,848 students in PEZ Zone #1 – 3,335 students in PEZ Zone #2

They did a survey last fall and found that 69% of students have cars. 88% have cars for the purpose of getting around Rexburg. 46% use cars to go to Idaho Falls. Half the freshmen have cars but by the time they graduate almost all of them have cars. Most married students are outside the PEZ zone. They also found that most students are not using cars to drive to campus.

Where are students going in their cars?

Class	24%
Work	19%
Rexburg stores or other establishments	88%
Shopping, dates, entertainment, etc., in Idaho Falls	46%
Other	12%

How many students have cars?



Car Ownership by School Year

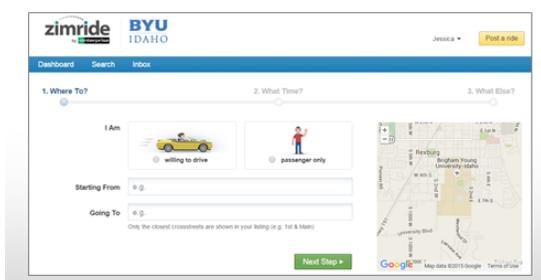
Year	Yes	No
Freshman	53%	47%
Sophomore	76%	24%
Junior	77%	23%
Senior	88%	12%

How often are cars used to drive to campus?

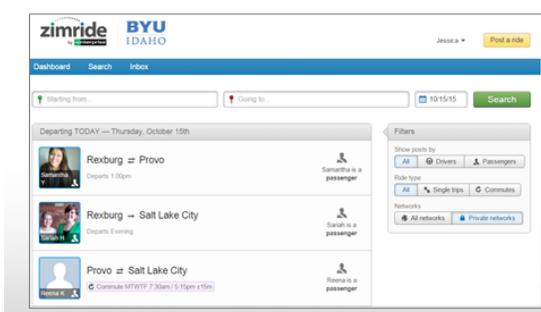
Gender	Daily	Weekly	A few times a month	Never
Female	18%	18%	12%	52%
Male	22%	14%	15%	49%

Zimride was launched on September 1, 2015. As of October 19, they have 3177 users with 407 active rides in the system. Enterprise purchased Zimride. It is similar to Uber but safer. Zimride is the fastest growing. It will be available to all Brigham Young University-Idaho students. They can connect with Brigham Young University in Provo, Utah. It is basically a modern ride board. You can post as a rider or driver. Users can select commute or one time destination. He showed actual students that have posted on the site. Drivers can post how many seats they have, how much they charge, when they can go, etc.

- Post a ride as driver or passenger
- Select commute or one-time destination



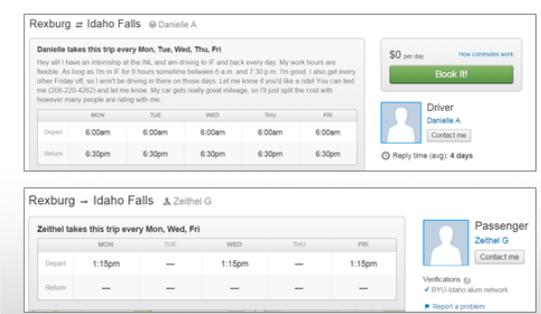
- Search available rides



- Search available rides by commute



- See details of ride



Council Member Busby asked about liability. Mr. Conrad said this is more secure and less of a liability. Insurance comes through the car insurance. The university would be less exposed with this system. They have five Enterprise Rent-A-Car vehicles on campus currently that can be rented by the hour. He said that technology has allowed this Zimride program to be possible.

Mayor Woodland asked about students who are no longer admitted to BYU-I due to misconduct. Mr. Conrad said that they are locked out of the system once they are no longer admitted to the university.

Council Member Smith asked how payments are processed. Mr. Conrad said the payment is processed through a PayPal account. The university and Enterprise Rent-A-Car do not charge per ride. BYU-I pays an annual set up fee to Zimride. The contract price paid by BYU-I is less than \$10,000 annually.

Committee Liaison Assignments for 2015:

A. Council Member Christopher Mann: *Golf Board · Emergency Services Board · MYAB*

Council Member Mann reported the golf board has not met. Emergency Services met and had a good meeting at the new fire station. The open house is scheduled for October 29th and 30th. There will be tours given. He is grateful for the Urban Renewal Agency, Finance Officer Nielson and Mayor Woodland for their help in achieving the new fire station. Mayor's Youth Advisory Board met today and last week. They will be going to the elementary schools on October 30th to talk about Halloween safety. Last week they participated in a mock city council meeting.

B. Council Member Jordan Busby: *GIS Oversight · Airport Board · Traffic & Safety*

Council Member Busby reported his committees have not met.

C. Council Member Donna Benfield: *Police · Trails of Madison County · IBC · Teton Flood Museum Committee*

Council Member Benfield reported the Chamber of Commerce will be doing the ribbon cutting at the newly remodeled fire station. She said the Trails of Madison County Committee met and City Engineer Keith Davidson reported they are working on the new bike park behind Rexburg Rapids. They will be meeting later to discuss the plans. She believes the bike park will be in a good place and will be a good addition to recreation.

D. Council Member Smith: *Legacy Flight Museum · Rexburg Arts Council (Romance Theatre & Tabernacle Civic Center, Orchestra) · M.E.P.I.*

Council President Smith reported the Legacy Flight Museum has not met but will meet in November to continue planning the air show for next June. She stated the Rexburg Arts Council is in good shape despite what is reported in the newspaper. They met last week. They have reorganized and added eight new people to the board. The new members that have joined will add a lot of diversity. They are ready to move forward. They are currently in the process of hiring the new Museum Curator/Cultural Director. She said that MEPI has not met.

Mayor Woodland added that Jill Spencer has done a terrific job as the Museum Curator. She has tendered her resignation and will be missed.

E. Council Member Jerry Merrill: *School Board · Parks & Recreation · Urban Renewal Agency*

Council Member Merrill said he would like to reiterate what Council President Smith stated about the Arts Council. Some people take things the wrong way but the Arts Council is doing well. He does appreciate all the volunteers and they are excited about the new Arts Council reorganization.

Council Member Merrill reported that he has not heard anything from the school board regarding the land transfer. The Parks Department has been winterizing the sprinklers. The Cube Cyclocross Bike Race is coming up this Saturday, October 24th at the Nature Park. The Urban Renewal Agency has not met but they do have the public hearing for the North Interchange coming up on November 4th, the day after the elections.

F. Council Member Brad Wolfe: *Planning & Zoning · Beautification Committee*

Council Member Wolfe reported that Planning & Zoning met last week. They had a public hearing for the request of a Conditional Use Permit by Cable One who had entered into a lease with PacifiCorp (Rocky Mtn. Power) to erect a new precast building to house new fiber optics for their internet and video service. The property is within a LDR2 zone. The largest concerns seemed to center around the landscaping and appearance of the finished product because it is within a residential zone. Ultimately the committee recommended unanimously that the city council approve the CUP with some attached conditions. There is some additional discussion he would like to have when the council hears the recommendation.

Additionally, Mr. Horner presented to the commissioners a request for the committee to decide if the Urban Renewal Plan for the North Interchange was in compliance with the Rexburg Comprehensive Plan. The committee decided that it did comply and recommended to City Council that they approve said Urban Renewal Plan.

Mayor Woodland reported that the Arts Council is alive and well. They have a new dance group starting back up that they had a few years ago. Rexburg has always been a champion of the arts. We have great programs and there are a lot of good things happening. The Romance Theater wouldn't even be here if it wasn't for people wanting the arts.

Public Hearings: - None

Items for Consideration:

A. Discussion: Minimum Acreage Requirements for Planned Unit Development (PUD): *Motion in Planning and Zoning - "Bruce Sutherland motioned to recommend to City Council to strike the 3-acre minimum area requirement for PUDs (Planned Unit Development) and to leave the current protective language the same in the PUD section of the Rexburg Development Code Ordinance. Rory Kunz seconded the motion. None opposed. Motion carried."*

Community Development Director Christensen reminded City Council that a while back when a four-plex development was going in on Pioneer Road, the question was raised in Planning & Zoning about the minimum acreage for a Planned Unit Development. He said he thinks when that rule was set in the beginning, it was just information obtained from other cities and how they were doing things. That was about fifteen years ago. He doesn't think city staff had much involvement with creating these numbers. Planning & Zoning decided instead of having minimum sizes, it should be looked at on a case by case basis. They recommend getting rid of the 3 acre minimum area requirement. They would like to leave the protections in that are already there.

Discussion about the various size requirements for residential and commercial.

Council Member Merrill moved to strike the 3-acre minimum area requirement for PUDs (Planned Unit Development) and to leave the current protective language the same in the PUD section of the Rexburg Development Code Ordinance. Council Member Busby seconded the motion. Mayor Woodland asked for a vote:

Those voting aye

Council President Smith
Council Member Benfield
Council Member Mann
Council Member Merrill
Council Member Busby
Council Member Wolfe

Those voting nay

None

The motion carried

Community Development Director Christensen asked to combine the public hearing for the PUD change with some other changes that will be coming up regarding the Development Code.

Staff Reports:

1. **Public Works:** – Approve Sale of 2013 Caterpillar 950K front end loader

Public Works Director Millar reported that he did find a buyer for the 2013 Caterpillar 950K front end loader. It sold for \$185,000 and in conjunction with that, he would like authorization to purchase a new loader. It will cost \$188,605.

Council Member Busby moved to approve the purchase of a new loader for \$188,605. Council Member Smith seconded the motion. Mayor Woodland asked for a vote:

Those voting aye

Council President Smith
Council Member Benfield
Council Member Mann
Council Member Merrill
Council Member Busby
Council Member Wolfe

Those voting nay

None

The motion carried

Council Member Busby asked if the new loader fits the new snowplow. Public Works Director Millar said it does. Council Member Busby asked how fast the new snow plow fills a truck. Mr. Millar said in 20 seconds.

Mayor Woodland commented that our City Streets Department does a good job of clearing roads in the winter.

Public Works Director Millar reported that the bid on the waste water project has been pushed back another week. They are not looking at winter construction.

Council Member Merrill asked about what part they are bidding. Director Millar said they are bidding on the anaerobic system.

Public Works Director Millar also reported that one of the Water Department employees quit. Nate Orme has moved to a job in St. Anthony. He asked for approval to fill that position.

Council Member Merrill moved to fill the vacant position in the Water Department. Council Member Mann seconded the motion. Mayor Woodland asked for a vote:

<u>Those voting aye</u>	<u>Those voting nay</u>
Council President Smith	None
Council Member Benfield	
Council Member Mann	
Council Member Merrill	
Council Member Busby	
Council Member Wolfe	

The motion carried

Council Member Benfield asked Public Works Director Millar if the soccer fields by Rexburg Rapids will be ADA compliant. Director Millar said absolutely.

B. Finance Department: – Finance Officer Nielson said that he will need to do a budget adjustment for the sell and purchase of the loaders. He also reported that the old recreation shed is coming down. He requested to surplus the shed. They would take bids and give them 30 days to move it. It's a wood shed 13' by 42' with a suggested value of \$5,494.60. CFO Nielson then presented the 2016 Budget in Brief.

1. 2016 Budget in Brief

Total Budget: \$76,726,000 up \$7,489,800 from the amended 2015 budget due to water and sewer capital projects and the widening of 2nd East to the north interchange.

Operating Budget is \$25,941,700 down \$452,200 from last year. The **General Fund** has a **\$133,400 Contingency** for unforeseen items. (pg. 2)

Street maintenance, reconstruction, and new construction totals \$4,768,600, including additional gas tax of \$244,300.

Major street projects: reconstruct 5th West from 1st S to 4th S, and the widening of 2nd East, by reimbursement from the Urban Renewal Agency. (pg. 2)

Property tax revenues increase about \$312,300 to a total of **\$4,000,600**, mostly due to new construction. The current City property tax levy rate is at **\$417 per \$100,000 of taxable value**, which is still one of the lowest for most cities in southeast Idaho and other similar size cities. (pg. 4)

Six new full-time personnel are funded in: public works, police (2), human resources, customer service, and arts.

Increases in utility rates will be about 2.3% for the average homeowner, or about \$1.90 per month, due to in-creased operating costs. (pg. 4)

Major construction projects: (pg.3)

Water facilities: \$9,196,000 funded by operating reserves and a loan from the Department of Environmental Quality;

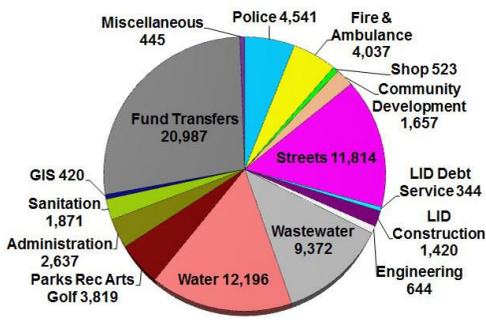
Wastewater treatment plant: \$3,000,000, funded with current operating and capital reserves;

Baseball/softball fields: \$800,000, adding to the Community Fields;

Community Safety Lighting improvements: \$221,300.

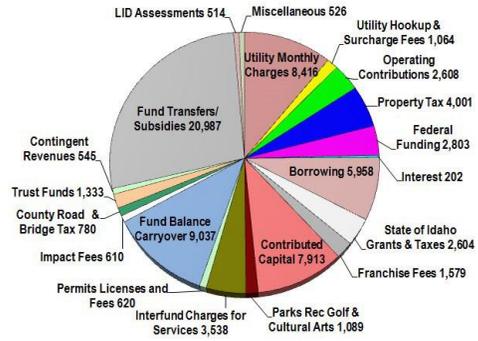
Total Expense Budget

FY 2016 Total: \$76,726,000 (below in thousands)



Total Revenue Budget

FY 2016 Total: \$76,726,000 (below in thousands)

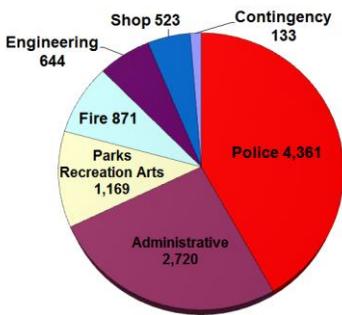


GENERAL FUND

The fund where the City has the most discretion in spending is the General Fund. The major sources of funding include property tax, state shared sales tax, franchise fees, and administrative charges to other funds. The General Fund Budget is \$10.4 million, which is about 14% of the citywide budget. Below is a more detailed look at the General Fund. All revenues are generally very limited; therefore, increasing funding on one project or department will usually require reducing funding for others.

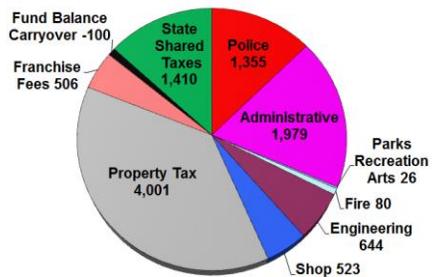
General Fund Expense Budget

FY 2016 \$10,422,100 (below in thousands)



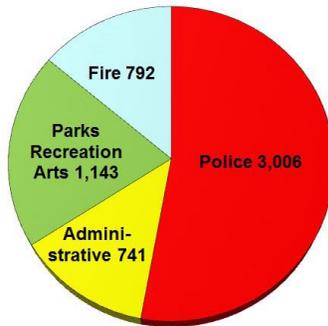
General Fund Taxes & Departmental Revenue Budget

FY 2016 \$10,422,100 (below in thousands)



General Fund Tax Subsidy Budget

FY 2016 (below in thousands)



CAPITAL IMPROVEMENT PLAN

Every year, the City adopts a **Capital Improvement Plan** for the next five years. Capital improvements include any one-time expenditure over \$5,000 in the form of equipment or construction.

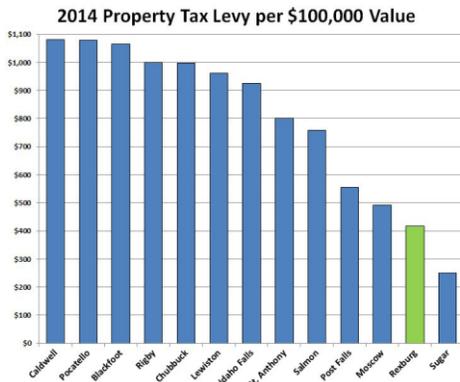
Major utility construction projects include a major upgrade to our water facilities and a final phase of improvements over two years to the wastewater treatment plant to eliminate odors, add new capacity, and help with the disposal of the bio-solids. The water project will provide needed production, storage, and delivery capacity to meet the current water demands and future water demands as our population grows. The water upgrades will be funded with a combination of operating reserves and a loan from the Department of Environmental Quality (DEQ) of up to \$11,100,000, which includes principal forgiveness of up to \$2,211,300.

The City has budgeted \$800,000 to continue constructing a **new baseball/softball quad** at Community Fields and the projected completion date of this project is 2017.

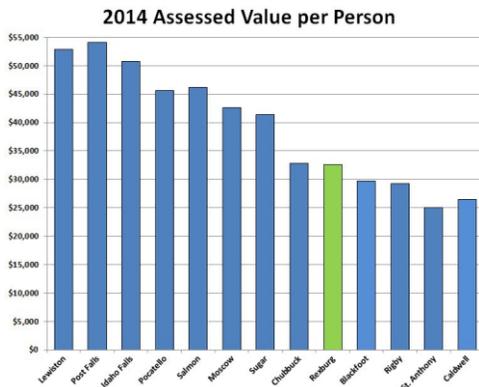
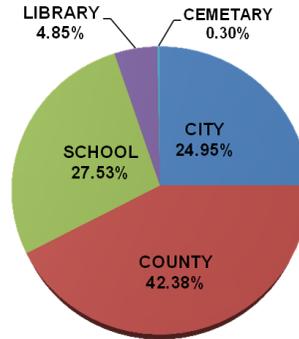
Major street projects include the **reconstruction of 5th West from 1st S to 4th S, which includes the addition of a Storm Sewer Line and the widening 2nd East all the way to the North Highway 20 Interchange with, which is budgeted to be reimbursed by urban renewal contributions.**

PROPERTY TAX BREAKDOWN & COMPARISONS

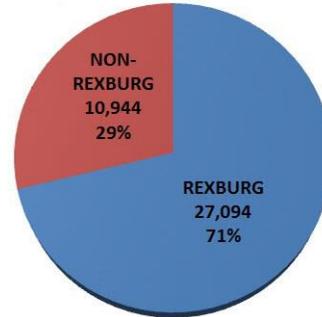
Your property tax dollars paid to the City of Rexburg are generally dedicated to Police and Fire services, because they are less than the budgets of those departments. The total estimated property tax for the City in this fiscal year is \$4,000,600, which equals 24.95% of each city resident's total tax bill. Here are some comparisons of 2014 levies (received in FY 2015) with other entities. This year's levies are very similar in comparison.



2014 Property Tax Levy %



2014 County Population per Census 38,038



UTILITY RATES

The City charges for utilities: water, sewer, garbage/recycling and community safety lighting.

In this budget, utility rates for an average home will increase 2.3%, effective October 1, 2015, which will be an increase of \$1.90 per month for the average home.

REXBURG RESIDENT -SAMPLE BILL

3/4 Inch Meter	AVERAGE	OLD	NEW	INCREASE	INCREASE
SEWER (Gallons x 1000)	6	34.82	35.06	0.24	0.7%
WATER (Gallons x 1000)	19	26.53	27.80	1.27	4.8%
GARBAGE	90 G Weekly	20.15	20.54	0.39	1.9%
LIGHTING	1	1.65	1.65	0.00	0.0%
TOTAL		83.15	85.05	1.90	2.3%

Council Member Busby asked how our utility rates compare with other cities. Officer Nielson said that he wasn't sure but we are reasonable. Mayor Woodland said we are lower than most.

2. Health Insurance Review for 2016 – Finance Officer Matt Nielson reviewed the employee insurance changes for the 2016 year.

Current Insurance Rates

CITY OF REXBURG HEALTH & DENTAL INSURANCE PROPOSALS FOR 2015														10/12/2015	
Current Blue Cross/Blue Cross PPO										2500 Ded 90/10 --2500 Dental Annual Limit					
COVERAGE	Count	Ded	Total Ded	CITY HEALTH	CITY DENTAL	CITY TOTAL	EMPLOYEE HEALTH	EMPLOYEE DENTAL	EMPLOYEE TOTAL	Blue Cross Health	BC PPO Dental	HRA Contribution	TOTAL		
SINGLE	16	1	\$ 16	\$ 554.61	\$ 30.87	\$ 585.47	13.0%	\$ 81.17	13.0%	\$ 4.61	\$ 85.78	\$ 671.25	\$ 659.85		
COUPLE	22	2	\$ 44	\$ 1,089.61	\$ 61.63	\$ 1,151.24	13.0%	\$ 156.54	13.0%	\$ 9.21	\$ 165.75	\$ 1,296.99	\$ 1,274.99		
EMP/CHILD	2	2	\$ 4	\$ 772.52	\$ 95.02	\$ 867.54	13.0%	\$ 113.06	13.0%	\$ 14.20	\$ 127.26	\$ 994.80	\$ 978.91		
EMP/CHILDREN	7	2	\$ 14	\$ 1,051.16	\$ 95.02	\$ 1,146.18	13.0%	\$ 153.84	13.0%	\$ 14.20	\$ 168.04	\$ 1,314.21	\$ 1,292.59		
FAMILY	77	2	\$ 154	\$ 1,388.84	\$ 139.81	\$ 1,528.65	13.3%	\$ 208.67	13.3%	\$ 21.45	\$ 230.12	\$ 1,758.77	\$ 1,730.20		
TOTAL	124	232	\$ 232	\$ 1,940.634						\$ 280,025	\$ 2,230,859		\$ 2,194,068		
										DEDUCTIBLE \$ 2,500		NET \$ 36,590			
										HRA CONTRIBUTION \$ (1,700)		BEGINNING BALANCE OF SAVINGS \$ 60,000			
										NET DEDUCTIBLE \$ 800		ENDING BALANCE IN SAVINGS \$ 96,590			

Option #4 – Chosen by the Employee Committee

Option #4 Blue Cross PPO--Drug \$250 Deductible plus 10/30/50 copay													Surcharge Ortho			
COVERAGE	Count	Ded.	Total Ded.	City HEALTH	CITY DENTAL	CITY TOTAL	EMPLOYEE HEALTH	EMPLOYEE DENTAL	EMPLOYEE TOTAL	Employee Increase	Blue Cross Health	Ameritas Dental	HRA Contribution	TOTAL		
SINGLE	16	1	16	\$ 570.54	\$ 40.64	\$ 611.18	\$ 87.13	\$ 6.34	\$ 93.47	\$ 704.65	\$ 7.69	\$ 503.72	\$ 46.98	\$ 141.67	\$ 692.37	
COUPLE	22	2	44	\$ 1,099.93	\$ 81.14	\$ 1,181.07	\$ 167.97	\$ 12.66	\$ 180.63	\$ 1,361.70	\$ 14.88	\$ 960.89	\$ 93.80	\$ 283.33	\$ 1,338.02	
EMP/CHILD	2	2	4	\$ 791.51	\$ 115.70	\$ 907.21	\$ 120.87	\$ 28.92	\$ 149.80	\$ 1,057.00	\$ 22.54	\$ 612.01	\$ 144.62	\$ 283.33	\$ 1,039.96	
EMP/CHILDREN	7	2	14	\$ 1,081.09	\$ 115.70	\$ 1,196.79	\$ 165.09	\$ 20.00	\$ 28.92	\$ 1,390.81	\$ 25.98	\$ 939.58	\$ 144.62	\$ 283.33	\$ 1,367.53	
FAMILY	77	2	154	\$ 1,436.48	\$ 170.82	\$ 1,607.30	\$ 219.36	\$ 42.70	\$ 262.07	\$ 1,869.37	\$ 31.95	\$ 1,341.59	\$ 213.52	\$ 283.33	\$ 1,838.44	
TOTAL	124	232		\$ 2,036.594						\$ 327.677		\$ 2,364.271			\$ 2,324.726	
											Family-	4.4%	32.4%	0.0%	\$ 39,545	
											DEDUCTIBLE	\$ 2,500			NET	\$ 96,590
											HRA CONTRIBUTION	\$ (1,700)			BEGINNING BALANCE OF SAVINGS	\$ 96,590
											NET DEDUCTIBLE	\$ 800			ENDING BALANCE IN SAVINGS	\$ 136,135

Option #5 – Second choice of Employee Committee

Option #5 Blue Cross PPO--Drug \$250 Deductible plus 10/30/50 copay													Dental Blue Connect			
COVERAGE	Count	Ded.	Total Ded.	City HEALTH	CITY DENTAL	CITY TOTAL	EMPLOYEE HEALTH	EMPLOYEE DENTAL	EMPLOYEE TOTAL	Employee Increase	Blue Cross Health	Blue Connect Dental	HRA Contribution	TOTAL		
SINGLE	16	1	16	\$ 578.36	\$ 33.35	\$ 611.70	\$ 87.13	\$ 5.20	\$ 92.33	\$ 704.03	\$ 6.55	\$ 503.72	\$ 38.55	\$ 141.67	\$ 683.94	
COUPLE	22	2	44	\$ 1,115.00	\$ 66.53	\$ 1,181.53	\$ 167.97	\$ 10.38	\$ 178.35	\$ 1,359.88	\$ 12.60	\$ 960.89	\$ 76.91	\$ 283.33	\$ 1,321.13	
EMP/CHILD	2	2	4	\$ 802.35	\$ 102.60	\$ 904.95	\$ 120.87	\$ 16.01	\$ 136.88	\$ 1,041.83	\$ 9.62	\$ 612.01	\$ 118.61	\$ 283.33	\$ 1,013.95	
EMP/CHILDREN	7	2	14	\$ 1,095.90	\$ 102.60	\$ 1,198.50	\$ 165.09	\$ 13.5%	\$ 16.01	\$ 1,379.60	\$ 13.07	\$ 939.58	\$ 118.61	\$ 283.33	\$ 1,341.52	
FAMILY	77	2	154	\$ 1,456.16	\$ 151.50	\$ 1,607.66	\$ 219.36	\$ 23.64	\$ 243.01	\$ 1,850.67	\$ 12.89	\$ 1,341.59	\$ 175.15	\$ 283.33	\$ 1,800.07	
TOTAL	124	232		\$ 2,037.241						\$ 307.852		\$ 2,345.093			\$ 2,280.383	
											Family-	4.4%	8.6%	0.0%	\$ 64,710	
											DEDUCTIBLE	\$ 2,500			NET	\$ 96,590
											HRA CONTRIBUTION	\$ (1,700)			BEGINNING BALANCE OF SAVINGS	\$ 96,590
											NET DEDUCTIBLE	\$ 800			ENDING BALANCE IN SAVINGS	\$ 161,300

The Employee Committee's first choice would be Option #4. Option 4 allows more options for dentists. Their second choice would be Option #5 which only allows one location in Idaho Falls for a dentist. Three employees are currently on it now.

Council Member Merrill asked if employees can choose. Officer Nielson said yes they can choose.

Council Member Busby asked about increase. Officer Nielson said it would be 5.9 percent total increase.

Council Member Mann asked when the new rates would start. CFO Nielson said new insurance switches January 1st. The new premiums will start being deducted in December. He also said that we had already approved a 10 percent increase in the budget and this would be lower than that.

2016 Health/Dental Benefits

Renewal rates for the same health option we currently have, came back with a 10.94% increase originally

- We were able to **negotiate to an 8.45% increase** (two year total increase 6.45%).

Renewal rates for the same dental option we currently have, came back with a 32.41% increase

- Providers have experienced losses on dental for the prior 6 years

Explanation of Increases:

Health

High Prescription drug utilization (Paid dollars increased 10.13% thru September)

Cost of health care has risen on average 12% nation wide

- **Medical benefits paid in our plan have risen 9.72% through September.** (Loss ratio through August is an average of 81% (85% considered break-even)

Dental

Increased benefits 6 years ago

- Individual Benefit Period Max. raised to \$2,500 from \$1,500

- Ortho. Lifetime Max. for eligible dependent children raised to \$2,000 from \$1,500

High utilization of the benefit has been experienced-in order from highest paid out is Restorative, Diagnostic, Preventive, and Orthodontics. (We are beginning to trend more favorably, but at a **loss ratio of 92%** through August)

Recommendations:

Health

Implement a **\$250 annual deductible per insured for prescription drugs** (accumulates toward overall prescription out of pocket limit of \$2,000/\$4,000 family)

- **Deductible does not apply to generic drugs** (only brand name)

- **Brand name is only 10% of prescriptions, but 69% of the cost**

- Prescription co-pays would move to \$10, \$30, \$50 (currently \$10, \$25, \$40)

Dental

Surcharge the Blue Cross PPO Dental by an additional 5% (projected savings to city over \$12,300)-
Cheaper option still available with Dental Blue Connect

Do not implement lowering the plan back to \$1,500 period maximum and \$1,500 Ortho. Maximum,
which would save about \$14,000

Recommended Employee Premiums

Option # 4 See Proposal Details-All options reviewed by Employee Committee

Coverage	2015 Rate/Month	2016 Rate/Month	Increase Per Month	Percentage Of Total*
Single	\$ 85.78	\$ 95.82	\$ 10.04	13.8%
Couple	\$ 165.75	\$ 185.32	\$ 19.57	13.9%
Emp/Child	\$ 127.26	\$ 147.63	\$ 20.37	14.2%
Emp/Children	\$ 168.04	\$ 191.85	\$ 23.81	14.0%
Family	\$ 230.12	\$ 258.87	\$ 28.75	14.1%

2015 Family % of total was 13.3%
* This rate reflects if they choose the Blue Cross PPO Dental Plan

● **Authorization is needed from the City Council to approve the 2016 renewal and recommended employee rate changes above**

If the above renewal was approved it would result in the following:

- 4.93% increase to city
- 12.46% increase to employees
- **5.91% total increase**
- An **increase in the savings of \$37,700**, moving balance to \$134,300

Council Member Merrill moved to approve and renew the Health Care Insurance as presented;
Council Member Smith seconded the motion; Mayor Woodland asked for a vote:

Those voting aye

- Council President Smith
- Council Member Benfield
- Council Member Mann
- Council Member Merrill
- Council Member Busby
- Council Member Wolfe

Those voting nay

None

The motion carried

Calendared Bills and Tabled Items:

- A. LAND USE ACTION – BILLS RECOMMENDED/ APPROVED IN A LAND USE PUBLIC HEARING PROCEDURE: – NONE**
- B. BILL Introduction: – NONE**
- C. First Reading: Those items which are being introduced for first reading: - NONE**
- D. Second Reading: Those items which have been first read: - NONE**
- E. Third Reading: Those items which have been second read: - NONE**

Mayor's Business:

A. Proclamation 2015 – 07 (October as National Long-Term Care Residents' Rights Month)

***Proclamation 2015 – 07
Declaring October, 2015 as
NATIONAL LONG-TERM CARE
RESIDENTS' RIGHTS MONTH 2015
CARE Matters***

*WHEREAS, there are more than 1.6 million individuals living in 16,000 nursing homes; and 1 million individuals living in 50,000 board and care/assisted living facilities in the U.S.; and
WHEREAS, the federal Nursing Home Reform Act of 1987 guarantees residents their individual rights in order to promote and maintain their dignity and autonomy; and
WHEREAS, all residents should be aware of their rights so they may be empowered to live with dignity and self-determination; and
WHEREAS, we wish to honor and celebrate these citizens, to recognize their rich individuality, and to reaffirm their right to vote and participate politically, including the right to have a say in their care; and
WHEREAS, individuals and groups across the country will be celebrating Residents' Rights Month with the theme - "CARE Matters"- to emphasize the importance of affirming these rights through facility practices, public policy and resident-centered decision-making,
NOW, THEREFORE, I, Richard S. Woodland, Mayor of the City of Rexburg, Idaho, do hereby proclaim October, 2015, as
National Long-Term Care Residents' Rights Month
in the City of Rexburg, and encourage all citizens to join me in these important observances.
City of Rexburg, Madison County, State of Idaho.*

Richard S. Woodland, Mayor

ATTEST:

Blair D. Kay, City Clerk

Council Member Mann moved to ratify Proclamation 2015-07 declaring October as National Long-term Care Residents' Rights Month 2015; Council Member Busby seconded the motion; Mayor Woodland asked for a vote:

Those voting aye

Council President Smith
Council Member Benfield
Council Member Mann
Council Member Merrill
Council Member Busby
Council Member Wolfe

Those voting nay

None

The motion carried

Consent Calendar: The consent calendar includes items which require formal City Council Action; however they are typically routine or not of great controversy. Individual Council members may ask that any specific item be removed from the consent calendar for discussion in greater detail. Explanatory information is included in the City Council's agenda packet regarding these items.

- A. Minutes from October 7, 2015 meeting
- B. Approve the City of Rexburg Bills

Council President Smith moved to approve the Consent Calendar and pay the bills; Council Member Busby seconded the motion; Mayor Woodland asked for a vote:

Those voting aye

Council President Smith

Those voting nay

None

Council Member Benfield
Council Member Mann
Council Member Merrill
Council Member Busby
Council Member Wolfe

The motion carried

Council Member Mann referred to the combining of public hearings that Director Christensen mentioned. He said there are a lot of ordinances under review. He wants to be able to review them individually as needed.

Adjourned at 8:07 P.M.

APPROVED:

Richard S. Woodland, Mayor

Attest:

Mary Flanary, Deputy City Clerk