

**BEACHWOOD CITY COUNCIL FINANCE AND INSURANCE COMMITTEE MEETING
HELD AT BEACHWOOD CITY HALL, CONFERENCE ROOM A, 25325 FAIRMOUNT
BOULEVARD, ON MONDAY, JULY 9, 2018 IMMEDIATELY FOLLOWING THE
SPECIAL COUNCIL MEETING**

The meeting was called to order at 9:20 P.M. by Chairman Alec Isaacson.

ROLL CALL: Present A. Isaacson, E. Synenberg, J. Taylor
 Absent: None.
 Also Present: M.S. Horwitz, D. A. Calt, L. Heiser, T. Turick
 J. Pasch

1. Mayor's Reports.

None.

2. Discussion regarding Health Insurance Renewal and Wellness Program.

Mr. Isaacson introduced Mr. Heiser and asked him to speak about the proposed Health Insurance Renewal and the proposed Wellness Program.

Mr. Heiser referenced a memorandum to Council that is attached hereto for the official record. He stated that he is recommending the two year renewal plan with Medical Mutual with a fixed increase of 4.49%.

Ms. Taylor asked what the total value of this renewal would be.

Mr. Heiser explained that the total value would be approximately \$4,000,000.00 per year.

After the discussion, Mr. Isaacson asked if there were any further questions. There were none and Mr. Isaacson directed the Clerk to place this item on the next available Council Agenda for approval.

3. Discussion regarding Printers in City Hall.

Mr. Heiser discussed the memorandum to Council and the spreadsheet that is attached hereto for the official record and discussed the plan to replace approximately half of the City's printers.

Mr. Heiser outlined the process for selecting the company and also outlined the cost savings for this project.

After the discussion, Mr. Isaacson directed the Clerk to place this item on the next available Council Agenda for approval.

4. Discussion regarding Fees Charged.

Mr. Heiser then discussed the proposed fees for Police Vehicle Rental and Grass Cutting.

Mr. Heiser referenced a memorandum to Council that is attached here to for the official record.

Mr. Heiser explained that currently, Police Vehicle rentals are priced at \$10.00 per hour. It is the recommendation of the Police Chief and Finance Director to increase that price to \$20.00 per hour.

The next fee discussed was the Grass Cutting Fee. Currently, that price is \$45.50 and it has been recommended to increase that price to \$100.00. The increase is being proposed to incentivize compliance with grass cutting by increasing the fee.

There were no further questions and Mr. Isaacson directed the Clerk to place this item on the next available Council Agenda.

5. Discussion regarding Citizens Advisory Committee.

Before discussing this agenda item Mr. Heiser mentioned that the Committee did not speak about the Wellness Program under agenda item #2.

Mr. Heiser then discussed the Wellness Program and referenced the outline that is attached hereto for the official record.

Mr. Isaacson then moved on to discuss the proposed Citizens Finance Advisory Committee. Mr. Isaacson discussed the research that he had done and reviewed a memorandum that is attached hereto for the official record.

After discussing this item, Mr. Isaacson asked if there were any further questions or any other matters to discuss and there were none.

6. Any other matters coming before the Finance and Insurance Committee .

None.

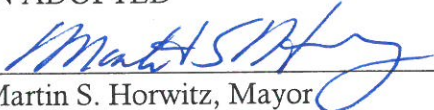
ADJOURNMENT

Moved by E. Synenberg, seconded by J. Taylor, at 10:05 P.M. to adjourn the Finance and Insurance Committee to the next regularly scheduled Council Meeting.

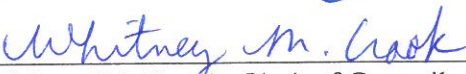
Yes: A. Isaacson, E. Synenberg, J. Taylor
Abstain: None.
No: None.
Not Voting: None.

MOTION ADOPTED

Approved:



Martin S. Horwitz, Mayor



Whitney M. Crook, Clerk of Council

Pursuant to Ordinance Number 2017-107 Council has determined that the official Minutes of its Body, its Committees, and those of the Planning and Zoning Commission shall consist of the Audio Recording of the meetings together with a written synopsis of all agenda items and votes.

**CITY OF BEACHWOOD
FINANCE DEPARTMENT
INTER-OFFICE COMMUNICATION**

TO: Council and Mayor Martin Horwitz
FROM: Larry Heiser, Finance Director
DATE: June 20, 2018
SUBJECT: Health Insurance

The City Administration started 2018 by interviewing 3 different brokerage firms to see if there were better options for the City of Beachwood regarding Health Insurance. After meeting with the other brokers, we met with Alan Greenberg with Stellar, he was aware we were entertaining other brokers and we even gave temporary access to another company to review the history and also make recommendations moving forward. As background; this year Stellar assisted in implementing the Wellness program for the City which was not well received during union negotiations; however after lengthy discussions it was approved. This included the basics of getting a wellness checkup (the City is hosting a wellness clinic on-site in July) and a smoking policy. The main objective of the wellness is simply to have a healthier workforce which is beneficial to the City and to the employee.

During one of our quarterly meetings with Stellar in March we reviewed current data and the City was running a 70.6% loss ratio which is a good percentage. The loss ratio is the percentage of claims divided by premiums. With this data Mr. Greenberg requested pricing and brought back 2 options moving forward. One option is a 1 year renewal at a negative 1.49% or a 2 year fixed increase of 4.49%. The City renewal date is 8/1/2018. During the first week of June Alan reviewed our numbers again to see how the City was trending and therefore we did not try one last time to negotiate with Medical Mutual for even better pricing. I am recommending locking in the 2 years with Medical Mutual. Our previous increases are as follows: 2017: **12.4%** 2016: **10.65%** 2015: **5.31%** 2014: **4%** 2013: **10.32%**.

Please let me know if you have any questions.

WELLNESS

Wellness: The City Health Insurance plans to implement the following wellness program:

The Wellness Program will be implemented by introducing three (3) programs to employees in an effort to decelerate the increasing cost of healthcare. The three (3) programs are: 1) Yearly routine/preventive wellness checkups; 2) Nicotine usage/cessation; and 3) Insurance buyouts.

Section 1. Yearly routine/preventive checkups: Beginning August 1, 2018 each employee and spouse (if applicable) will have submitted to a wellness exam during the prior year. The form for completion from the Doctor's office will go directly to the insurance broker for verification; no information will be forwarded to the City of Beachwood. If an employee and spouse (if applicable) do not submit to a wellness exam by the August 1st deadline, their employee contribution for health care will increase \$100 per person per month. This increase will be removed the following month in which the documentation is provided that the person went for a wellness check. The City will hold a wellness clinic at least 1 time per year in order to assist employees in getting their most vital statistics.

Section 2. Nicotine use/cessation: Beginning August 1, 2018 each employee and spouse (if applicable) will be subject to a \$100 per person per month increase to the employee contribution for health insurance if the employee and/or spouse use nicotine products. All employees and spouses (if applicable) will be required to complete an affidavit confirming they are not nicotine users.

For nicotine users, the City will support nicotine cessation alternatives.

Section 3. Insurance buyouts: The City shall pay \$600 per month for any married employee who waives City healthcare benefits completely in lieu of their spouse's employment coverage. Single employees will be paid \$300 per month if the employee opts for coverage from outside employment. In the event that both spouses work for the City of Beachwood the Health Insurance buyout is not applicable.

Additionally, if an employee's spouse elects to not be covered by the City's health care benefits the employee will receive \$300 per month.

CITY OF BEACHWOOD
FINANCE DEPARTMENT
INTER-OFFICE COMMUNICATION

TO: Mayor Martin Horwitz and Council
FROM: Larry A. Heiser, Finance Director
RE: Printers
DATE: June 15, 2018

All -

Replacing approximately one half of the City's printers were one of the many IT initiatives for 2018. The process of replacing 10 at one time allowed the City to get better pricing and a lower fixed "click" charge than had the machines been purchased individually. The IT staff initially placed an agent on 6 devices in order to track the number of pages being copied along with differentiating between color and black and white as well as paper sizes. With the data obtained, requests for proposals from vendors were sent to two of our current vendors (Blue Technologies and Canon) and Comdoc. The IT department worked with all the vendors in relaying what the current needs in each department entailed and allowed each vendor to propose to the City the machines which represented the best match for the City within our needs. Therefore, we were able to compare Xerox, Canon, Konica machines. The pricing and terms as shown was extremely competitive. The decision made as a group was to purchase the printers through Comdoc. The initial pricing is slightly lower with Comdoc as well as the standardized on-going maintenance charges. Based upon the pricing model the expected yearly savings just in the Police Department is approximately \$5,200 per year. The life of the contract is 5 years; thus the pricing is set for at least that term.

Please let me know if you have any questions.

Copier Project Price Comparisons

Comdoc (Xerox Machines)

Model	Color/BW	PPM	Base Price	Hole Punch	Finisher	Extra Drawers	Fax	Total Machine Price	BW Click Price	Color Click Price	Notes	Qty	Total Purchase	Without Hole Pur
C8035	Color		35 \$ 5,595.00	\$ 698.00	Included	Included	Included	\$ 6,293.00	\$ 0.0055	\$ 0.045		3	\$ 18,879.00	\$ 16,785.00
C8045	Color		45 \$ 6,813.00	Included	Included	Included	Included	\$ 6,813.00	\$ 0.0055	\$ 0.045		1	\$ 6,813.00	\$ 6,813.00
C8055	Color		55 \$ 8,676.00	\$ 348.00	Included	Included	Included	\$ 9,024.00	\$ 0.0055	\$ 0.045		3	\$ 4,974.00	\$ 4,974.00
B405	BW		47 \$ 1,658.00	N/A	N/A	Included	Included	\$ 1,658.00	\$ 0.0055		Desktop	3	\$ 4,287.00	\$ 4,287.00
B7035	BW		35 \$ 4,230.00	\$ 448.00	Included	Included	Included	\$ 4,678.00	\$ 0.0055			3	\$ 34,953.00	\$ 32,859.00
C405	Color		36 \$ 1,429.00	N/A	N/A	Included	Included	\$ 1,429.00	\$ 0.0055	\$ 0.045	Desktop	3		

Canon

Model	Color/BW	PPM	Base Price	Hole Punch	Finisher	Extra Drawers	Fax	Total Machine Price	BW Click Price	Color Click Price	Notes	Total Purchase
IRADVC3530i II	Color		30 \$ 4,517.00	N/A	\$ 706.00	\$ 739.00	Included	\$ 5,962.00	\$ 0.0077	\$ 0.036		4 \$ 23,848.00
	BW		35 \$ 3,689.00	\$ 448.00	\$ 672.00	Included	Included	\$ 4,809.00	\$ 0.0077			3 \$ 14,427.00
MF735CDW	Color		28 \$ 715.00	N/A	N/A	\$ 187.00	Included	\$ 902.00	\$ 0.0137	\$ 0.0823	Desktop	3 \$ 2,706.00
												\$ 40,981.00

Blue Technologies (Konica and Lexmark Machines)

Model	Color/BW	PPM	Base Price	Hole Punch	Finisher	Extra Drawers	Fax	Total Machine Price	BW Click Price	Color Click Price	Notes	Qty	Total Purchase	Without Hole Pur
C368	Color		36 \$ 3,707.00	\$ 212.00	\$ 474.00	\$ 345.00	\$ 345.00	\$ 5,240.00	\$ 0.0075	\$ 0.0380		3	\$ 15,720.00	\$ 15,084.00
C458	Color		45 \$ 4,430.00	\$ 212.00	\$ 474.00	\$ 345.00	\$ 345.00	\$ 5,963.00	\$ 0.0075	\$ 0.0380		1	\$ 5,963.00	\$ 5,963.00
Lexmark XM3150	BW		50 \$ 1,488.00	N/A	N/A	N/A	Included	\$ 1,488.00	\$ 0.0090		Desktop	3	\$ 4,464.00	\$ 4,464.00
Lexmark XC4150	Color		50 \$ 2,566.00	N/A	N/A	N/A	Included	\$ 2,566.00	\$ 0.0075	\$ 0.0640	Desktop	3	\$ 7,698.00	\$ 7,698.00
													\$ 33,845.00	\$ 33,209.00

Records

	PPM	Month	1YR	1YR	1YR	Month	1YR	1YR	1YR	1YR
Fire 1	35	3476	\$229.42	\$312.84	\$321.18	884	\$477.36	\$403.10	\$381.89	
Recreation	40	10864	\$717.02	\$977.76	\$1,003.83	2902	\$1,567.08	\$1,323.31	\$1,253.66	
Building Main	35	2760	\$182.16	\$248.40	\$255.02	2268	\$1,224.72	\$1,034.21	\$979.78	
Building Inspectors	32	639	\$42.17	\$69.01	\$105.05		\$0.00	\$0.00	\$0.00	Comdoc
Fire 2	32	1892	\$124.87	\$204.34	\$311.04		\$0.00	\$0.00	\$0.00	Cannon
CC	30	217	\$14.32	\$23.44	\$35.67		\$0.00	\$0.00	\$0.00	BT
Roll Call			\$0.00	\$0.00	\$0.00		\$0.00	\$0.00	\$0.00	
Detective			\$0.00	\$0.00	\$0.00		\$0.00	\$0.00	\$0.00	
Dispatch			\$0.00	\$0.00	\$0.00		\$0.00	\$0.00	\$0.00	
			\$1,309.97	\$1,835.78	\$2,031.81		\$3,269.16	\$2,760.62	\$2,615.33	

Larry Heiser

From: Craig Kaufman
Sent: Thursday, July 05, 2018 7:49 AM
To: Larry Heiser
Subject: Copiers

Building Inspectors	B405	Black & White Desktop Copier
Fire 2	B405	Black & White Desktop Copier
CC	B405	Black & White Desktop Copier
Fire 1	C405	Color Desktop Printer
Detective	C405	Color Desktop Printer
Roll Call	C405	Color Desktop Printer
Building Main	C8035	Color Copier With Fininshing Unit
Dispatch	C8035	Color Copier With Fininshing Unit
Records	C8035	Color Copier With Fininshing Unit
Recreation	C8045	Color Copier With Fininshing Unit

CITY OF BEACHWOOD
FINANCE DEPARTMENT
INTER-OFFICE COMMUNICATION

TO: Council and Mayor
FROM: Larry A. Heiser, Finance Director
RE: Fees: Police Vehicle rental fee and Grass cutting fee
DATE: July 5, 2018

There are 2 fees which have been identified to be updated. The first as I brought forward 6 months ago is the \$10 per hour we charge contractors to rent City of Beachwood police vehicles for construction projects. My recommendation is to increase the fee to \$20 per hour.

The second fee is the grass cutting fee currently at \$45.50 and it is recommended that the fee be increased to \$100. I had a discussion regarding this increase with Chris Arrietta and the City does not want to be in the grass cutting business the desire is to incentivize compliance and by increasing the cost this should have that affect.

Except for the 2 fees above being charged by the City of Beachwood, the other departments reviewing fees Building and Community Services will be reviewing charges this fall for 2019 implementation.

Please let me know if you have any questions or would like further explanations.

Citizens Finance Advisory Committee

Proposed Overall Goal: To utilize community expertise to assist the City Council and the Finance Department in their oversight of Beachwood's financial resources.

Proposed Mission Statement: The mission of the Committee is to provide regular feedback, insight, and recommendations and report periodically to the City Council on financial matters such as budget and forecast assumptions, financial policies, and long-term fiscal sustainability.

Responsibilities:

- Review annually the forecasting assumptions made by the Finance Director, study the financial projections and, if necessary, examine related documents concerning the city's finances.
- Share business and financial best practices from the private and public sector.
- Collaborate with the City to identify strategies to communicate the City's financial health to the community.
- Prepare periodic reports on committee activities and present the information to City Council.

Stretch Goal:

- Act as the citizen members of the audit committee per BCO 121.14.

Other Communities:

Loveland, OH – 9 members
Mentor City Schools, OH – 5 members
Morro Bay, CA – 5 members
Novato, CA – 7 members
Princeton, NJ – 6 members
Wyoming City Schools, OH – 11 members