Elected Officials Present:
Larry Bustle, Mayor
Tambra Varnadore, Vice Mayor
Tamara Cornwell, Commissioner
Mary Lancaster, Commissioner

Elected Officials Absent:
Eric Ball, Commissioner
Brian Williams, Commissioner

Staff and Others Present:
James R. Freeman, City Clerk
Michele Hall, Attorney
Chief Garry Lowe
Chris Lukowiak, Public Works Director
Tanya Lukowiak, CRA Executive Director
Bob Schmitt, Planning Supervisor/Zoning Administrator
Karen Simpson, Deputy Clerk-Finance
Diane Ponder, Deputy Clerk-Administration

Mayor Bustle called the meeting to order at 5:05 pm. A moment of silence for Commissioner Ball and overseas military personnel was observed, followed by the Pledge of Allegiance.

1. AGENDA APPROVAL

MOTION: Ms. Varnadore moved, Ms. Cornwell seconded and motion carried 3-0 to adopt the August 28, 2008 agenda.

2. DISCUSSION: FY 2009 BUDGET

Mr. Freeman updated Commission on the medical insurance options, specifically plan changes, that staff researched to fully fund the program. Mr. Freeman reviewed the proposed plan changes as follows:

<table>
<thead>
<tr>
<th>Option</th>
<th>Description</th>
<th>Savings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Option #1</td>
<td>Change to 90/10 for procedures not covered by a co-pay, i.e. hospital, in/out patient services</td>
<td>$34,860.60</td>
</tr>
<tr>
<td>Option #2</td>
<td>Increase maximum out-of-pocket from $2,000/$4,000 to $2,500/$5,000</td>
<td>$30,652.20</td>
</tr>
<tr>
<td>Option #3</td>
<td>Increase retiree over 65 premium to 100%</td>
<td>$14,303.00</td>
</tr>
<tr>
<td>Option #4</td>
<td>Implement $10 premium for employee's insurance currently paid by City</td>
<td>$15,960.00</td>
</tr>
<tr>
<td>Option #5</td>
<td>Increase dependent care premium for spouse &amp; child to 40%</td>
<td>$13,704.00</td>
</tr>
</tbody>
</table>

Mr. Freeman also informed Commission that another option to fully fund the medical program could be a 1% COLA at $70,000 vs a 2% COLA that costs $140,000. He recommended that if this option is chosen, the Commission should still move toward making plan changes so the City is not faced with the same problem in the next fiscal year.

Commission discussed the various options. Agent Mike Towns confirmed that the premium for employees paying a portion of their premium would be $40 per month. He also confirmed that the plan can only be changed at renewal dates. Commission also heard input from employees Sharon Jones and Matt Bloom concerning the options.
It was consensus of Commission to implement options 1 and 2, provided it is a one-year plan and conversation is held with the employees explaining the changes that are being implemented. Mr. Towns confirmed that meetings will be held with employees throughout the year.

Commission also directed that an insurance committee be activated so that employees can have input on different benefits that are available. In addition to the activation of the committee, Commission also suggested that with the implementation of options 1 and 2 an employee health plan should be instituted.

Discussion ensued on approving the budget. Ms. Cornwell and Ms. Varnadore both stated they had concerns they needed addressed before approving the tentative budget. They were encouraged to contact Mr. Freeman with a list of concerns so staff would be prepared to address them accordingly.

The next budget meeting is scheduled for September 2, 2008 at 5:00 pm.

Meeting adjourned at 6:40 pm.

Minutes approved: September 22, 2008

James R. Freeman
City Clerk