

St. Petersburg City Council
BUDGET, FINANCE & TAXATION COMMITTEE

Committee Report for the Meeting of October 22, 2009

Members: Chair James R. "Jim" Kennedy Jr., Vice-Chair James S. Bennett, Jeff Danner, Wengay M. "Newt" Newton Sr. , & Karl Nurse (Alternate).

Call to Order

Approval of Agenda

Minutes of October 8 & October 15, 2009

1. New Business

a. Fiscal Policies

Tim Finch, Budget & Management Director, presented the committee with a draft copy of the FY10 Fiscal Policies, based on the September 10, 2009 Budget, Finance and Taxation Committee meeting discussion and recommendations. Mr. Finch informed the committee that his team was in the process of closing out 2009 and that all figures available were estimates and not final numbers and recommended postponing discussion of fund balance targets to a future meeting. Jeff Spies, Finance Director, commented on the Fiscal Policies page B-8. He indicated that we should not strike out the State Board of Administration. Mr. Spies explained that the Fiscal Policies should include Florida Prime as a replacement.

The committee agreed to schedule a Committee of the Whole meeting on Monday, November 16 to discuss fund balance targets. Mr. Bennett moved to approve the FY10 Fiscal Policies and forward to full Council for approval on November 5 as part of this report. Mr. Danner seconded and the motion passed unanimously.

b. Health Insurance Plans

Vicki Grant, Employee Benefits Manager, gave a presentation on the outcome of the RFP Process for Health Insurance Plans. Ms. Grant indicated that after careful review and negotiation, the RFP committee was recommending United Healthcare as the City's health care insurance vendor. Ms. Grant provided the committee with two documents, both of which compared our current vendor (Cigna) to United Healthcare. The first document illustrated the proposed change in monthly health insurance premium rates and the second document detailed the proposed plan design changes. According to the document provided, the proposed plan premium rates decreased for all available plans. Depending on the plan selected, the decrease in premium could be as high as 11.47%. Some of the plan design changes include: no physician referral required for any plan, simplified specialist co-pays, nationwide provider network, and no outpatient facility charge. Chuck Tobin, Gallagher Benefit Services, Inc., presented to the committee several slides, via a handout, that included Medical Plan Inflation, National Cost Trend

for Employer-Sponsored Medical Plans, Trend Increases from 2005, Total Monthly Premium Cost Comparison, UHC Disruption, and a slide that illustrated the United Medical Plan – Network & Network Open Access Plans. Mr. Tobin indicated that the City has done an excellent job managing its healthcare costs and availability. He also commented that the City has enjoyed lower rate increases based on our wellness programs and educational sessions. The committee made several comments concerning the negative aspects of prescription drug step programs. Mr. Tobin agreed and pointed out that this proposed plan did not include any such programs. Mr. Bennett moved to recommend and to send the proposal to full Council for final approval. Mr. Danner seconded and the motion passed unanimously.

2. Continued / Deferred Business
 - a. None

3. Next Meeting Agenda Tentative Issues

November 12, 2009

- a. FY09 Budget Cleanup
Tim Finch, Budget & Management Director

December 10, 2009

- a. Great Explorations
Chris Ballestra, Downtown Enterprise Facilities Director
- b. Museum Collaboration Update
Chris Ballestra, Downtown Enterprise Facilities Director

4. Adjournment – meeting adjourned at 9:09 a.m.

BUDGET, FINANCE & TAXATION COMMITTEE
 PENDING / CONTINUING REFERRALS

October 22, 2009
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<i>TOPIC</i>	<i>DATE REFERRED</i>	<i>REFERRED BY</i>	<i>SCHEDULED / HEARD ON</i>	<i>RETURN DATE</i>	<i>STAFF RESPONSIBLE</i>	<i>SPECIAL NOTES</i>
FY09 Budget Cleanup	10.22.09	Kennedy		11.12.09	Finch	This item goes to City Council 11/16/09.
Fiscal Policies	10.22.09	Kennedy		11.16.09 **Committee of the Whole	Finch/Spies	Continued Discussion on Fiscal Policies
Great Explorations	09.24.09	Newton		12.10.09	Ballestra	Present Recommendations After Review
Museum Collaboration Update	09.24.09	Kennedy		12.10.09	Ballestra	Update on Collaboration Efforts

A RESOLUTION APPROVING THE BUDGET,
FINANCE & TAXATION COMMITTEE'S
RECOMMENDATION TO APPROVE THE
ATTACHED FY 2010 FISCAL POLICIES OF
THE CITY OF ST. PETERSBURG; DEFERRING
MODIFICATIONS TO THE FUND BALANCE
TARGETS; AND PROVIDING FOR AN
EFFECTIVE DATE.

WHEREAS, on October 22, 2009 the Budget, Finance & Taxation Committee ("BFT") met and approved the attached revised Fiscal Policies; and

WHEREAS, the BFT deferred any modifications to the Fund Balance Targets;
and

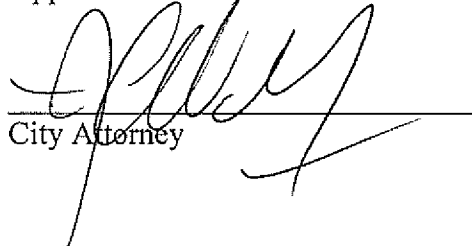
WHEREAS, the BFT recommends that City Council approve the attached Fiscal Policies.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of St. Petersburg, Florida that the attached revised Fiscal Policies is hereby approved; and

BE IT FURTHER RESOLVED that the Fund Balance Targets shall remain the same for now and shall be addressed at a later date.

This resolution shall become effective immediately upon its adoption.

Approved as to form and content:


City Attorney