

**Minutes
Town of Clifton
Town Council – Special Session
May 23, 2017
10:00 A.M.**

Members Present

Felix Callicotte, Mayor
Luis Montoya, Vice Mayor
Barbara Ahmann, Councilmember
Laura Dorrell, Councilmember
Ray Lorenzo, Councilmember
B. Waddell Reyes, Councilmember
Ray West, Councilmember*

*Excused

A quorum was present.

Call to Order: The meeting was called to order by Mayor Felix Callicotte followed by the Pledge of Allegiance.

New Business:

Discussion and/or action to award the bid for the Road Crack and Seal Coat Project: Town Manager, Ian McGaughey reported that unfortunately no bids were received within the required timeframe, therefore no action is required at this time. He further explained that there is a potential bidder, however there was confusion on their part as to the bid submittal time. Mr. McGaughey stated that the advertisement will be re-published allowing for a bid submittal deadline of June 5, 2017 at 2:00 p.m.

Discussion and/or action regarding a health insurance benefits plan for FY18: Town Manager, Ian McGaughey reported that the insurance quotes from the level funded plan/Aetna, have been received and offer a significant savings to the town. He explained that he has invited Justin Echols, Vector Financial Representative, to provide the town council with information comparing a level funded insurance plan vs. fully funded benefit plan which is what the town is accustomed to.

Mr. Echols explained that the benefits proposal offered by the level funded plan is comparable to the current benefits plan offered by Blue Cross Blue Shield of AZ. A detailed explanation was provided on how level funding works. He explained that the premiums and claims are managed through a “pooled group.” Additionally, the group is covered by a re-insurance policy which will cover excess claims. Mr. Echols also informed the council that the premium quoted will be honored for the next five years.

He provided a comparison of pros and cons to the level funded program. The benefits of the program could result in a savings plan if claims are under the amount paid for the year offering ; lower cost in prescriptions; preventive medical options; pre-existing conditions are required to be covered and for an additional premium a tele-doc feature can be added. The negative impact of the change is that it will take time to transition the current network of physicians and prescriptions/medications that town employees are currently using. The goal in the transition is not to disrupt employee coverage.

Also discussed was the change in benefits to vision coverage and life insurance coverage currently included in the Blue Cross Blue Shield of AZ policy. Mr. Echols suggested that these types of policies are inexpensive and could be offered directly to employees at their cost.

The general consensus of the council was to move to the level funded plan offered by Aetna and to add the tele-doc option as part of the health benefits.

Motion to change health insurance plans from Blue Cross Blue Shield of AZ, a fully funded plan to Aetna, a level funded plan was made by Councilmember Barbara Ahmann. Second to the motion was made by Vice-Mayor Luis Montoya. Motion carried.

Discussion and/or action regarding the Greenlee County Alternative School Facility: Mr. McGaughey reported on the recent proposal by the Greenlee County School Superintendent offering to rent this facility to the town. The initial proposal includes \$600 monthly rental fee plus utilities, facility maintenance and insurance coverage to be covered by the town. Mr. McGaughey also explained that the facility could not be sold since it was purchased with Arizona Department of Education Funds. The Town Manager reported that all members of the council with the exception of Councilmember West had toured the facility.

Vice-Mayor Montoya made a motion to refer this proposal to the Buildings and Properties Committee for their review and recommendation. Second to the motion was made by Councilmember Ahmann. Motion carried

Adjournment: Motion to adjourn was made by Councilmember Ahmann, seconded by Councilmember Ray Lorenzo. Motion carried.

Meeting adjourned at approximately 11:10 a.m.