

Commission looks at more options on benefit

By Tom Betz
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City commissioners have been wrestling with a large financial obligation created by a health insurance benefit originally created years ago to bridge the gap between an employee retiring and being eligible for Medicare or KPERS (Kansas Public Employee Retirement System).

City Manager Doug Gerber said he had taken a stab at rewriting the policy to reflect the discussion the commissioners had before.

He said he was doing this because the commissioners wanted him to put something into policy form to review.

Major changes Gerber included from the previous commission discussion was reducing the benefit from three years to one year, making it a benefit to pay health insurance for the employee and to limit it to employees who separate in good standing and who are KPERS eligible.

Commissioner Bill Finley questioned changing from three to one year. He said he had talked to some of those who were around when the original policy was put in place in the 90s. He said the idea was to be a bridge between retirement and when the employee was covered by Medicare. He said it is possible for an employee to be KAPERS eligible at 62, and Medicare does

not cover until 65.

Gerber said what he took from the previous discussion was the benefit needed to be limited in scope and put a time limit on the benefit.

Mayor John Garcia said that is what he remembered and what he got from Commissioner Josh Dechant, who was absent from the meeting.

Finley said if the benefit was meant to be a way to cover the gap between retirement and Medicare it could be more than one year, and felt some of the existing employees may be counting on this as a part of their future retirement plans.

Gerber said that is true, especially for an employee who started after high school. He said if they worked for 30 years they would be eligible. He said that is harder for new employees to reach as the magic number for KPERS is now 95 rather than 85.

Finley said he did not feel the city is going to see many stay for 35 years.

Gerber said he would agree because the average person today works six or seven jobs and in several different fields.

Garcia asked what type of position the city is in with the financial ramifications.

Gerber said it was in the last packet, and at that time it showed the city with a possible financial obligation of more than \$200,000 based on the existing language.

"What are we getting to," Garcia said.

"If the intent is to bridge the gap you have to go with what Finley is talking about," Gerber said. "If not a bridge it is just an added benefit to the employee. If you go with the bridge intent the financial cost would be higher."

He said the biggest cut is to make sure it is for the single rather than the family health insurance. He said that would cut the cost in half as the family rate is more than \$800 and the single is about \$330.

Finley said reducing or doing away with the lump sum could have some affect, and reducing the policy to a single more of an effect.

"I feel it is going to hurt our employees," he said. "We want them to see we are making a concerted effort to meet them half way."

"What about doing away with it entirely," said Commissioner Annette Fairbanks.

"That is what makes it so hard," said Commissioner Chris Zimmerman. "I don't want to lose the good people."

Garcia said it is up for discussion, and that Dechant would have to be in on the final decision. He said based on what Finley said there are a lot of details to be put into the mix.

"Few businesses I know of are in line to offer this after the person would retire," Garcia said.

Gerber said an example of a person who could take a lump sum for one year if they were 64.

The lump sum would be one year of health insurance, Finley said.

"Removing the lump sum is not going to change the financial costs," Gerber said.

Finley asked if the health insurance benefit is something the commission needs to hammer out and finalize before doing the budget.

Gerber said the staff would have to make some assumptions. He said the staff has had this discussion each year. He said the question is whether to plan for the worst case or plan somewhere in between.

Fairbanks said it seemed the commission was hung up on the number of years.

Garcia said the changes he could see were to eliminate the lump sum, going to a single rate and for one year.

City Clerk Mary Volk said they had put the lump sum in the budget, but figure the commission is going to approve the policy without the lump sum.

"I think that is where we are going," Fairbanks said. "We are considering taking a lot of this away."

Gerber said he felt part of his role is to help the commission get you to consensus, and to propose options. He said one option – not the favorite – would be to stair step the

time down from three years down to one.

Garcia suggested going with 18 months.

Finley said it might be good to look at someone who is eligible for retirement in the next five years and then put a limit on beyond that.

"I feel we have some who are considering this in the future," he said. "Remembering those individuals have to be KPERS eligible."

Volk suggested looking at a single plan and then leave it up to three years and KPERS eligible.

Finley said the commission ought to get input from Dechant and make a decision at the next meeting.

Gerber said he did not plan to have much on the next agenda except the budget.

"You have wrestled with this," he said. "The budget is going to take some time, unless you adopt it as we recommend."

He said he could put the health insurance on the agenda, and if it is not going anywhere it could be tabled. He said he would rewrite the policy and leave a blank for the years.

Garcia said he would not be opposed to Finley's suggestion about the employees for the next five years and then go to the one year.

Gerber said he could add that option.

County asked to join I-70 projects continue in Sherman County

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Contractors will begin to replace the lights at interchanges 17 and 19 in August. The lights at those two exits will be completed by March, while the lights at Exits 1, 9, and 12 won't be replaced until 2013.

The process to rebuild the actual driving lanes of I-70 from the state line to Caruso will not begin until next spring. The entire project will take over two years to construct,

with a final completion date of Oct. 2013, when the roadway will re-open to unrestricted traffic. The project will shut down during the winter months from approximately October to April each year.

All I-70 traffic will be placed in the eastbound lanes while the westbound lanes are reconstructed next year. The eastbound lanes will be upgraded in 2013.

Please use caution, pay attention to the work zone signs, and respect

workers when driving through any road work zone. Slow down and "Give 'Em A Break".

KDOT awarded this construction contract totaling \$46 million to Koss Construction Co., of Topeka. Both I-70 construction jobs are funded by T-WORKS, the transportation program passed by the Kansas Legislature in May, 2010.

For questions concerning either I-70 construction project, please contact KDOT Area Two Engineer

Eric Oelschlager at (785) 626-3258 or EricO@ksdot.org in Atwood; or Kristen Brands, Northwest Kansas Public Affairs Manager, at (785) 877-3315 or kristenb@ksdot.org in Norton.

Upcoming road construction projects may be viewed at the newly launched website for T-WORKS at: www.ksdot.org/tworks.

Farmers Union, state agency plan two Farm Bill meetings

Kansas Farmers Union plans to hold Farm Bill sessions in Courtland and Seneca on Thursday, July 21.

Speakers at the event include National Farmers Union President Roger Johnson and Kansas Farm Service Agency Director Adrian Polansky.

The two will be at Anteaques in Courtland for breakfast at 7 a.m. (Mountain Time) and Windmill Inn in Seneca for lunch at 11 a.m. to talk with producers about the 2012 Farm Bill.

"The odds are the farther out we go to discuss the 2012 Farm Bill, the more cuts we can anticipate," state Farmers Union President Donn Teske said. "Also, with it being an election year, I'm sure it will influence the Farm Bill, I'm just not sure how."

Johnson will give a presentation outlining general information about farm bills, Farmers Union successes in the 2008 farm bill, current hurdles for the 2012 farm bill, organiza-

tional priorities, policy options and how to take action.

"During this time of budget concerns and federal deficits, waiting until 2013 to complete the next farm bill would likely negatively impact the baseline needed to write a bill that would effectively deliver the programs under its jurisdiction," Johnson said.

Polansky will remark on how current Farm Bill programs are working and listen to comments from attendees.

Meals will be provided at each event at no cost to attendees, thanks to the following sponsors: Swedish American State Bank, Farmers Union Insurance Agent Tom Clark in Courtland, Tom Giessel of Larned, Nemaha County Co-op and Bruna Implement.

For more information visit kansasfarmersunion.org. RSVPs are not required, but are very appreciated at (620) 241-6630 or kfu.mary@gmail.com.

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