



The City's current Health Plan for employees will be eliminated as of December 31, 2017 to avoid the risk of the Cadillac tax in 2020, so when the union contract is being discussed a new insurance plan will need to be agreed on as part of that contract. That contract expires on June 30, 2017.

Employment related claims continue to be one of the most costly types of covered claims in the pool; and, CIS hopes that by increasing the cost to those members that have not taken advantage of the free pre-loss legal service in the past will encourage them to do so in the future – resulting in a reduction to the contributions charged to all members in the pool.

As a way to reduce the cost for all members, CIS is increasing the deductible for employment related claims. The current deductible is \$5,000; however, that deductible is waived for members who take advantage of the (free) pre-loss legal advice if an employment related claim is filed. That deductible amount is being raised to \$15,000. And, for any member that has repeated employment related liability claims that do not use the pre-loss legal services the deductible will increase with each case up to a total of \$60,000.

It should be noted, that Yachats has used this pre-loss legal service several times in the past, and has never had an employment claim filed due to the excellent advice received and followed.

### **Other Items of Interest**

The City of Yachats is a member of CIS for all insurance needs. 95% of all cities in Oregon, 75% of all counties in Oregon, and 75 other local government entities are CIS members for property or liability coverage. The CIS Trust Board of Directors is made up of representatives from the members.

CIS is not an insurance company, and is not in the business of making a profit. Therefore the City can be assured that our risk management needs are met, in addition to getting the lowest insurance rates possible.

For the first tier of insurance, called risk sharing, the CIS Trust acts as a pool for self-insurance. The resources of all the members are pooled as a way to share the risk and reduce costs for all members. For the next tier of insurance needs, called risk transfer, which is buying insurance by paying a premium to a third party, usually a for-profit insurance company, to cover large losses, CIS is able to buy insurance for the entire group so they can get that insurance for a much lower cost than the City would be able to on its own.

Funds received by CIS are used three ways:

- Payment of claims by members
- Purchase of insurance for catastrophic losses by members
- Returns to members in the form of dividends, multi-line discounts, or rate subsidies to keep rates low.

One branch of CIS is called Employee Benefits Services (EBS Trust). Their function is to provide health and dental insurance and other employee benefits. Besides being able to purchase insurance as one large group, thereby reducing costs, they also ensure that they have the lowest cost by going out for proposals. They negotiate with insurance carriers, administer the benefits programs, and provide health risk management assistance.

Insurance is not the only thing the City of Yachats gets from CIS. They work with the City to ensure that a proactive approach is taken to reduce risk. As our Risk Management Consultant CIS also:

- Designs and manages plans to assist the City retain appropriate amount of insurance through deductible and alternate pricing plans.
- Provides individual risk management plans based on the city's operations. Our consultant visits regularly to discuss all kinds of issues, inspect sites, provide best practices analysis, and provide assistance in developing risk management tools, forms, or manuals.
- Provides OSHA inspection, compliance and hazard identification; as well as return to work assistance, ergonomic assessments, job safety analysis and review of job descriptions.
- Provides information regarding legal issues and suggests steps the City Council can take to protect the city's assets.
- Provides a pre-loss legal service. The City is able to work with the CIS in-house legal team during a situation to ensure that the right steps are taken and the right decisions are made to reduce the risk of lawsuits or other liability claims. If their advice is followed but the City is still sued, the deductible is waived.
- Provides free trainings on many subjects.

**Revenues and Expenditures 2016-8**

2/29/2016

Account	Budgeted Revenue	Revenue to Date	Difference	% Received	Outliers	Budgeted Expenitures	Expenditures to Date	Difference	% Expended	Outliers
					66.67%					66.67%
General (10)	919,364.00	855,120.38	(64,243.62)	93.01%		919,364.00	721,055.33	198,308.67	78.43%	?
Visitor Amenities (12)	558,531.00	557,644.24	(886.76)	99.84%		558,530.00	312,498.58	246,031.42	55.95%	
Capital Reserve (15)	2,531,410.00	2,497,273.98	(34,136.02)	98.65%		2,531,410.00	905,953.85	1,625,456.15	35.79%	
Sys. Dev. (16)	82,524.00	224,500.68	141,976.68	272.04%		82,524.00	20,000.00	62,524.00	24.24%	
Debt Service (17)	86,517.00	86,517.00	0.00	100.00%		86,517.00	0.00	86,517.00	0.00%	
Hwy 101 Project (20)	1,292,224.00	727,135.27	(565,088.73)	56.27%	?	1,292,224.00	152,234.92	1,139,989.08	11.78%	
Streets (21)	142,624.00	141,639.83	(984.17)	99.31%		142,624.00	97,953.23	44,670.77	68.68%	?
Library (22)	24,808.00	23,592.84	(1,215.16)	95.10%		24,808.00	17,015.40	7,792.60	68.59%	?
Log Church Museum (23)	15,467.00	12,719.72	(2,747.28)	82.24%		15,467.00	9,427.90	6,039.10	60.95%	
Parks and Commons (24)	198,964.00	194,299.10	(4,664.90)	97.66%		198,964.00	169,042.27	29,921.73	84.96%	?
Storm Drain (30)	107,266.00	107,266.07	0.07	100.00%		107,266.00	102,969.54	4,296.46	95.99%	?
Water (60)	561,695.00	394,360.44	(167,334.56)	70.21%		561,695.00	358,029.63	203,665.37	63.74%	
Gen. Oblig. Water Bond - 1992 (66)	45,459.00	49,209.22	3,750.22	108.25%		45,459.00	45,459.00	0.00	100.00%	?
Water Construction (68)	1,400,000.00	0.00	(1,400,000.00)	0.00%	?	1,400,000.00	0.00	1,400,000.00	0.00%	
Sewer (70)	516,455.00	364,154.16	(152,300.84)	70.51%		516,455.00	329,465.59	186,989.41	63.79%	
Sewer Debt (76)	1,005,026.00	1,005,026.05	0.05	100.00%		1,005,026.00	258,512.76	746,513.24	25.72%	
USFS Contract (80)	85,211.00	80,211.38	(4,999.62)	94.13%		85,211.00	77,665.41	14,213.60	91.14%	?
URD (90)	230,686.00	251,083.36	20,397.36	108.84%		230,686.00	206,051.69	24,634.31	89.32%	?
Totals	9,804,231.00	7,571,753.72	(2,232,477.28)	77.23%		9,804,230.00	3,783,335.10	6,027,562.91	38.59%	

Total Income over Expenditures 3,788,418.62

All Interfund Transfers are done at the first of the Fiscal Year

Budgeted Expenitures included UEFB and Reserves for Future Use

Money was transferred out of Fund 80 into Fund 15 to help repay the bank building loan as per the Supplemental Budget

Fiscal Year 2015-2016

<i><b>Project</b></i>	Budget	Revised Estimate	Materials & Services	Labor Expense To Capitalize	City equipment to Capitalize	2015-2016 Cost incl Labor	Over (Under) Revised	Over (Under) Budget	crew hours				
									Prior YR	True Cost of project	this year	crew prior	Total Crew Hours
Decanting Center	25,000	25,000					(25,000)	(25,000)	605	605		13	13
Hwy 101-grant	615,309	615,309	80,134	538		80,672	(534,637)	(534,637)	157,872	238,544	12	36	48
Hwy 101-waterline	122,000	167,089	14,061	3,597		17,658	(149,431)	(104,342)	35,305	52,962	68	239	307
Hwy 101-drainage	170,000	170,000	555	189		744	(169,256)	(169,256)	38,734	39,478	4	188	192
Update Water Master Plan (2A)	18,000	18,000					(18,000)	(18,000)	2,652	2,652		62	62
Hanley Drive Looping & SCADA	164,000	280,565	47,509	37,239		84,748	(195,817)	(79,252)	46,816	131,564	905	285	1,190
Surfside Waterline	56,800	56,800	6,022	612		6,634	(50,166)	(50,166)	338			7	7
Reeves Circle Waterline	50,000	50,000	6,022	408		6,430	(43,570)	(43,570)			8		8
Engineering S. Res	150,000	150,000	62,837	3,075		65,911	(84,089)	(84,089)	21,208		59	301	360
Access Road, Base & Tank S. Res	485,000	485,000	5,128			5,128	(479,873)	(479,873)	5,421				-
Generator Building - Parkside	25,000	25,000	25,728			25,728	728	728		25,728		12	12
Street Improvements	75,300	75,300	51,406	312		51,718	(23,582)	(23,582)	2,880	54,598	6	46	52
Little Log Church Siding	20,000	20,000		54		54					1		
Labyrinth	10,000	10,000					(10,000)	(10,000)	421	421		2	2
General Park Plan - Entry Portal (2/4)	22,500	22,500					(22,500)	(22,500)					-
Commons Roof	65,000	24,000	23,450	370		23,820	(180)	(41,180)			8		8
Commons Bathroom Remodel	10,000	14,556	14,460	96		14,556	0	4,556			3		3
Software Upgrade	60,000	7,300	7,300	2,564		9,864	2,564	(50,136)		9,864			*55 O/T only
Year 3 - Information System	24,000	24,000	12,149			12,149	(11,851)	(11,851)		12,149			-
Library	10,000	10,000					(10,000)	(10,000)					-
South Gateway Entry Sign	14,000	14,000					(14,000)	(14,000)	52	52		1	1
General Administration of CIP				1,308							22		22

Red Font indicates completed project

total employee expense

50,362