



Agenda Cover Memorandum

Meeting Date: March 24, 2014

Meeting Type: COW (Committee of the Whole) City Council Budget Workshop

Item Title: Approve the Purchase Order for Nationwide Retirement Solutions, PO Box 182797 Columbus, Ohio, 43218 in the amount of \$57,998.53, and a budget transfer in the amount of \$27,853.53.

Action Requested:

<input checked="" type="checkbox"/>	Approval	<input type="checkbox"/>	For discussion
<input type="checkbox"/>	Feedback requested	<input type="checkbox"/>	For your information

Staff Contact: Kenneth Oliven, Finance Director

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Email: koliven@parkridge.us

Background:

Our contract with IAFF Local 2697 includes a provision for contributions to a Post Employment Health Plan (PEHP) based on specific criteria as listed in Section 5.11 of the contract (shown below).

Number 1 of section 5.11 allows a payout based upon annual sick day usage. For FY14, that total amount is \$17,338.75.

Number 3 of section 5.11 states that each employee must mandatorily contribute one (1) ETO day from each employee's ETO bank, into the employee's Insurance Premium Reimbursement Account. The total amount is \$30,201.21

As part of a retirement option, number 4 of section 5.11 states employees can elect to have accrued sick days in excess of 60, paid into the PHEP plan, instead of a lump sum payout. FF Robert Kelly had 105 sick days. On February 17, 2014, FF Robert Kelly retired. He elected to receive 60 days payout into PHEP, totaling \$10,458.57 as shown below.

The PEHP payout amount to Robert Kelly is $105 \text{ accrued SICK days} - 60 \text{ days} = 45 \text{ days} \times 35\% = 15.75 \text{ days}$; $15.75 \text{ days} \times 22.25 \text{ hours per day} = 350.44 \text{ hours} \times \$29.8441 = \$10,458.57$.

Section 5.11 PEHP Plan

The City agrees to participate in the Post Employment Health Plan (PEHP) which shall be administered by Nationwide Retirement Solutions. The Plan participants within IAFF Local 2697 will be responsible for paying for all of the administrative and asset fees associated with the PEHP.

The following contributions have been agreed upon by the parties:

1. Effective for the calendar year beginning January 1, 2012, on an annual basis, for employees who utilize 2 or less non-FMLA sick days during the prior year, the City shall make the following employer contributions in the first pay period in which January 1st falls.
 - i. For employees who have 60 sick days accrued, the City shall make an employer contribution of two (2) days of pay into the employee's Insurance Premium Reimbursement Account for such employees; or
 - ii. For employees who have 30 sick days accrued, the City shall make an employer contribution of one (1) day of pay into the employee's Insurance Premium Reimbursement Account.



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2. Effective for the calendar year beginning January 1, 2012, on an annual basis, each employee who elects any ETO buy back days at the end of the year, must mandatorily contribute all such days into the employee's Insurance Premium Reimbursement Account, per section 9.2 of the Agreement. Such contribution shall occur during the following year, in the first pay period in which January 1st falls. (I.e. The 2012 calendar year contribution shall be made in the first pay period in which January 1st falls of 2013.)
3. Effective for the calendar year beginning January 1, 2014, on an annual basis, each employee must mandatorily contribute one (1) ETO day from each employee's ETO bank within IAFF Local #2697 into the employee's Insurance Premium Reimbursement Account.
4. Effective for the calendar year beginning January 1, 2012, per section 7.5 of this Agreement, upon retirement, an employee who retires or resigns in good standing on or after the effective date of this Agreement with more than 60 days accrued but unused sick leave (1,335 hours) must mandatorily contribute the following to his/her Insurance Premium Reimbursement Account: 35% of accrued but unused sick leave in excess of 60 days paid at 100% of the employee's straight-time rate of pay on the date of retirement or resignation in good standing. Example: An employee who retires with 100 days accrued sick leave shall receive 14 days ($100 - 60 = 40 \times 35\% = 14$ days) in the employee's Insurance Premium Reimbursement Account.

Total budget for PHEP contributions FY14 is \$30,145.00. A budget transfer must be approved for \$27,853.53 to cover the difference. The transfer will come from 100-2023-910000, regular salaries.

Recommendation:

Approve the Purchase Order for Nationwide Retirement Solutions, PO Box 182797 Columbus, Ohio, 43218 in the amount of \$57,998.53, and a budget transfer in the amount of \$27,853.53.

Budget Implications:

Does Action Require an Expenditure of Funds: Yes No

If Yes, Total Cost: \$57,998.53

If Yes, is this a Budgeted Item:

Yes No Requires Budget Transfer from 100-2023-91000
(\$27,853.53)

If Budgeted, Budget Code (Fund, Dept, Object) 100-2021-922001 (Only \$30,145.00)

Attachments:

- PEHP calculations spreadsheets
- Budget Transfer

City of Park Ridge
Fire PEHP Plan

Name	Employee #	Universal Account (105 - equal contributions for each employee)**	Premium Reimbursement Account (106- variable contributions for each employee)**	Hourly Rate	Total Credit
Joe Ascione	18590		0		\$0.00
John Bieniek	8450		44.5	\$29.84	\$1,328.05
Aaron Blane	16605		0		\$0.00
John Boeringa	12040		44.5	\$37.62	\$1,674.15
JD Bruchsaler	14910		0		\$0.00
Chris Buckley	15425		22.25	\$31.44	\$699.65
Chris Cleary	19680		22.25	\$30.86	\$686.66
Tim Debs	12051		0		\$0.00
Derek Decker	16545		22.25	\$34.88	\$775.97
Nick Falco	14995		44.5	\$29.70	\$1,321.56
Greg Garland	18430		0		\$0.00
Paul Harris	18280		22.25	\$31.27	\$695.75
Chris Herling	19445		0		\$0.00
David Hohmeier	9143		44.5	\$31.56	\$1,404.49
Mike Isom	15615		0		\$0.00
Matt Jarka	15900		22.25	\$31.44	\$699.65
Bob Kelly	796		44.5	\$29.84	\$1,328.05
Jeremy Knautz	19835		0		\$0.00
Ron Krause	9131		0		\$0.00
Zeke Kuzmanovich	15620		0		\$0.00
Jeff Laube	18905		0		\$0.00
Wedge Lazenby	15895		0		\$0.00
David Malcomson	18595		0		\$0.00
Geoff Mleko	16700		0		\$0.00
Joel Naffziger	14915		0		\$0.00
John Orlund	14750		0		\$0.00
Brian Pavone	16610		0		\$0.00
Bill Petersen	15095		0		\$0.00
John Pillaver	19320		0		\$0.00
Kevin Plach	14645		44.5	\$36.79	\$1,637.31
Al Portell	11680		44.5	\$36.38	\$1,619.08
Tim Schneider	19315		22.25	\$30.86	\$686.66
John Scott	16245		0		\$0.00
Robert Sempoch	18900		22.25	\$30.86	\$686.66
Kurt Skinner	15780		22.25	\$31.44	\$699.65
Bill Smaha	19325		0		\$0.00
Frank Villari	15440		22.25	\$31.44	\$699.65
Ken Weingart	18285		22.25	\$31.27	\$695.75
Aaron Wilson	21035		0		\$0.00
Ray Wolff	18000		0		\$0.00
Greg Woodford	16705		0		\$0.00
Tony Zermeno	15785		0		\$0.00
					\$17,338.75

**All Contributions will be deposited into the 106 account since the dollar amount varies for each employee

City of Park Ridge
Fire PEHP Plan

Name	Employee #	Universal Account (105 - equal contributions for each employee)**	Premium Reimbursement Account (106- variable contributions for each employee)**	Hourly Rate X 22.25 hrs	Total Credit
Joe Ascione	18590		22.25	\$30.86	\$686.66
John Bieniek	8450		22.25	\$29.84	\$664.03
Aaron Blane	16605		22.25	\$31.27	\$695.75
John Boeringa	12040		22.25	\$37.62	\$837.08
JD Bruchsaler	14910		22.25	\$31.44	\$699.65
Chris Buckley	15425		22.25	\$31.44	\$699.65
Chris Cleary	19680		22.25	\$30.86	\$686.66
Tim Debs	12051		22.25	\$36.28	\$807.34
Derek Decker	16545		22.25	\$34.88	\$775.97
Nick Falco	14995		22.25	\$29.70	\$660.78
Jeffrey Finn	20640		22.25	\$23.31	\$518.61
Greg Garland	18430		22.25	\$31.27	\$695.75
Paul Harris	18280		22.25	\$31.27	\$695.75
Chris Herling	19445		22.25	\$30.86	\$686.66
David Hohmeier	9143		22.25	\$31.56	\$702.24
Mike Isom	15615		22.25	\$31.44	\$699.65
Matt Jarka	15900		22.25	\$31.44	\$699.65
Bob Kelly	796		22.25	\$29.84	\$664.03
Jeremy Knautz	19835		22.25	\$30.86	\$686.66
Ron Krause	9131		22.25	\$36.39	\$809.74
Zeke Kuzmanovich	15620		22.25	\$31.44	\$699.65
Jeff Laube	18905		22.25	\$30.86	\$686.66
Wedge Lazenby	15895		22.25	\$31.44	\$699.65
David Malcomson	18595		22.25	\$30.86	\$686.66
Jesse McFarlin	20630		22.25	\$23.31	\$518.61
Geoff Mleko	16700		22.25	\$31.27	\$695.75
Joel Naffziger	14915		22.25	\$31.44	\$699.65
John Ortlund	14750		22.25	\$34.88	\$775.97
Brian Pavone	16610		22.25	\$31.27	\$695.75
Bill Petersen	15095		22.25	\$31.44	\$699.65
John Piltaver	19320		22.25	\$30.86	\$686.66
Kevin Plach	14645		7.5	\$50.95	\$382.10
Al Portell	11680		22.25	\$36.38	\$809.54
Tim Schneider	19315		22.25	\$30.86	\$686.66
John Scott	16245		22.25	\$31.27	\$695.75
Robert Sempoch	18900		22.25	\$30.86	\$686.66
Kurt Skinner	15780		22.25	\$31.44	\$699.65
Bill Smaha	19325		22.25	\$30.86	\$686.66
Frank Villari	15440		22.25	\$31.44	\$699.65
Ken Weingart	18285		22.25	\$31.27	\$695.75
Aaron Wilson	21035		22.25	\$22.41	\$498.66
Ray Wolff	18000		22.25	\$30.86	\$686.66
Greg Woodford	16705		22.25	\$31.27	\$695.75
Tony Zermeno	15785		22.25	\$29.70	\$660.78

\$30,201.21

**All Contributions will be deposited into the 106 account since the dollar amount varies for each employee



BUDGET TRANSFER FORM

TRANSFER TO:

Table with 4 columns: BUDGET LINE, BUDGET LINE DESCRIPTION, REASON FOR TRANSFER, AMOUNT. Row 1: 100-2021-922001, PEHP Contributions, \$27,853.53. Total: \$27,853.53.

TRANSFER FROM:

Table with 4 columns: BUDGET LINE, BUDGET LINE DESCRIPTION, REASON FOR TRANSFER, AMOUNT. Row 1: 100-2023-910000, Regular Salaries, \$27,853.53. Total: \$27,853.53.

1. Is the budget transfer shown above entirely within the same fund?

[X] Yes. Continue to the next question.

[] No. If no, please separate it into separate budget transfers for each fund, if each transfer within each fund balances. If there are remaining transfers between funds, then please see the Finance Department Accounting Manager, as there are probable questions about budget amendments and whether the transfer is an interfund loan or an interfund gift.

2. Are all parts of the budget transfer in the same fund and with the same object code?

[] Yes. You may stop here. Signatures are required from all department heads affected, the Finance Dir., and the City Mgr.

[X] No. Continue to the next question.

3. Are all parts of the budget transfer within both the same fund and the same four-digit department code?

[] Yes. If yes, is the transfer, and all similar transfers in the same fiscal year, equal to or under \$10,000?

[] Yes. You may stop here. Signatures are required from the City Mgr., Finance Dir., & affected department heads.

[] No. You may stop here. Signatures are required from the City Mgr., Finance Dir., & affected department heads. Finance Committee approval is also needed. Please attach an agenda cover memo and any applicable POs.

[X] No. Continue to the next question.

4. Are all parts of the budget transfer in the same fund and <= \$1,000 (including similar transfers earlier in the fiscal year)?

[] Yes. You may stop here. Signatures are required from all department heads affected, the Finance Dir., and the City Mgr.

[X] No. You may stop here. Signatures are required from the City Mgr., Finance Dir., and affected department heads. Finance Committee approval is also needed. Please attach an agenda cover memo and include any applicable POs.

Transfer Period: FY 14 Approved By: [Signature] 3/21/14 [Signature] 3/21/14
City Manager Date Finance Director Date

Department Head 1 Date Dept. Head 2 (if applicable) Date Dept. Head 3 (if applicable) Date

Dept. Head 4 (if applicable) Date Finance Committee Approval Date (if applicable):