

GRAND JUNCTION CITY COUNCIL WORKSHOP SUMMARY
December 14, 2015 – Noticed Agenda Attached

Meeting Convened: 5:17 p.m. in the City Hall Auditorium

Meeting Adjourned: 7:40 p.m.

City Council Members present: All

Staff present: Moore, Shaver, Hazelhurst, S. Williams, Carruth, Schoeber, Alexander, Ancell, Romero, Tonello, Valentine, Kovalik, Camper, Ranguet, Kovalik, Evans, S. Caskey, Watkins, Taylor, Police and Fire Department employees, and Tuin

Also: Dave Roper (former Risk Manager), Richard Swingle, Dennis Simpson, and Amy Hamilton

Interim City Manager (ICM) Tim Moore opened the meeting.

Agenda Topic 1. Retiree Health Program

ICM Moore asked Human Resources Director Claudia Hazelhurst to give background on the Retiree Health Program. Ms. Hazelhurst referred to the materials provided and also explained the Program's intent was to provide those in physically demanding jobs the opportunity to retire with affordable health insurance benefits before they are Medicare eligible by prepaying a portion of the premiums. She noted, after a recent internal study was conducted by Risk Management, increases were implemented to ensure the Program's solvency. With the Affordable Care Act, other health plans are available, however their premiums are much higher and benefits much lower. The questions needing to be answered are: should this benefit be offered, and, if yes, then how should it be funded.

Councilmember Chazen asked if the Plan increases helped reduce the City's listed \$12 million financial liability. Finance Supervisor Sonya Evans explained that according to the Governmental Accounting Standards Board (GASB), the City cannot list the Plan's assets (employee buy ins and ongoing contributions) and therefore the liability amount does not reflect an accurate picture. There was further discussion regarding specific amounts and accounts listed in the materials provided and the assumptions on which some of the amounts were derived.

City Attorney Shaver said Staff is recommending creating a Trust because it would clean up several issues since it would be a separate entity from the City; transferring the Plan's funds to a Trust would eliminate the City's legal obligation to the Program and they would no longer be subject to GASB regulations. Ms. Evans said if the Retiree Health Fund of \$1.1 million is moved to a Trust, the City's GASB liability would be reduced to \$9.6 million. It was noted this Program is subject to annual approval and negotiations with Rocky Mountain Health Plans, so it is not a TABOR (Taxpayer Bill of Rights) issue. Various issues were brought up that a Trust board would need to consider if a Trust was created. There were concerns raised about the implicit subsidy (which is a result of blending the rate with retirees and active employees), the use of the rebate for good health rate experience, and the future solvency of the Plan.

Council agreed to bring this topic to a January 2016 meeting and vote on keeping the benefit and transferring \$1.6 million into a Trust. They asked Staff to map out two models prior to the meeting, one that includes good experience health insurance refunds and one that does not.

That concluded the discussion.

Agenda Topic 2. Avalon Theatre Discussion

Avalon Theatre Foundation (ATF) Fund Raising

Council President Norris introduced this topic and said the ATF requested clarification regarding their funding; they would like to know if funds can be simultaneously raised for their \$150,000 pledge to the City (due July 2016) and other projects keeping the funds raised segregated. Convention and Visitor Services Director Debbie Kovalik noted an unnamed previous ATF donor has again made a pledge to the ATF, this time in the amount of \$150,000; ATF is confident the pledge will be fulfilled which would free funds raised to be used for the other targeted projects.

Council gave their consensus to allow funds raised for targeted projects to be directed by the ATF.

Avalon Theatre Staffing and Promotion

Council President Norris introduced this topic and said currently Two Rivers Convention Center (TRCC) Manager Stuart Taylor does the all the marketing for the Avalon Theatre and TRCC and some organizations have asked if the City's promotional efforts could be improved for the Avalon. She noted this conversation may be premature since the Event Center Feasibility study has not yet been completed. She clarified that the study will not include information regarding day to day operations, only events. It was agreed that competing event locations need to be considered in relation to the study findings.

Ms. Kovalik said current use of the Avalon is ahead of the business plan that was approved in the Avalon's Master Plan. She mentioned the Grand Junction Downtown Development Authority wanted the Avalon to be a downtown beacon and previous Councils asked that the facility simply break even. She then asked Council to give direction regarding vision, purpose, goals, and objectives for the Avalon Theatre so Staff can formulate and implement a strategic plan to support them.

It was decided to review the Study results before making a determination regarding the Avalon.

Agenda Topic 3. Other Business

There was none.

Agenda Topic 4. Board Reports

Councilmember Traylor Smith reviewed the Grand Junction Economic Partnership's 2015 accomplishments which included obtaining 68 active prospects, 58 active leads, helped 22 local businesses, and worked with 67 new companies. The most represented industries are outdoor manufacturing and energy services.

Councilmember Boeschenstein complimented the Business Incubator Center's Christmas Open House.

Councilmember Kennedy said the Parks and Recreation Advisory Board is almost done rewriting their bylaws.

With no further business, the meeting was adjourned.

GRAND JUNCTION CITY COUNCIL
MONDAY, DECEMBER 14, 2015

WORKSHOP, 5:00 P.M.
CITY HALL AUDITORIUM
250 N. 5TH STREET

To become the most livable community west of the Rockies by 2025

1. **Retiree Health Program:** Information will be presented to City Council on the City's Retiree Health Plan. [Attachment](#)
2. **Avalon Theatre Discussion** [Supplemental Documents](#)
3. **Other Business**
4. **Board Reports**