

COUNTY COUNCIL REGULAR MEETING – AUGUST 8, 2005

The meeting was called to order by President, Ron West.

I. ROLL CALL

The following members were present: Charlie Canary, Steve Hollenbeck, Paul Reed, Rick Mason, Josh McCarty and John Price. John Phil Wilson was present as the Council's attorney.

II. PLEDGE OF ALLEGIANCE

III. INVOCATION

IV. APPROVAL OF 8/8/05 AGENDA

Mr. West noted that he would like to add a transfer request from Superior Court #2 to the agenda; it will be added as item 1A.

Mr. Mason then moved to approve the agenda as presented with the addition. Mr. Reed seconded the motion, which carried unanimously.

V. APPROVAL OF 7/11/05 MINUTES

Mr. Canary made a motion to approve the minutes as presented. The motion was seconded by Mr. Hollenbeck and unanimously carried.

VI. PUBLIC COMMENTS

There were no public comments.

VII. SALARY ORDINANCE AMENDMENTS, ADDITIONAL APPROPRIATIONS, REDUCTIONS, & TRANSFERS:

Mr. Mason moved to approve the following requests as presented:

EMERGENCY MANAGEMENT – (127)

From: 127-275.0 – Emergency Funds	(\$ 500.00)
From: 127-362.0 – Equipment Repair/Maintenance	(\$ 800.00)
To: 127-410.0 – Office Equipment	\$ 1,300.00

SUPERIOR COURT #2 – (133)

From: 133-301.0 – Professional Services	(\$ 423.84)
To: 133-440.0 – Office Furniture/Equipment	\$ 423.84

COMPUTER SERVICES – (141)

From: 141-380.0 – Lease Payments	(\$ 50.02)
From: 141-210.0 – Office Supplies	(\$ 7.50)
To: 141-410.0 – Office Equipment	\$ 57.52

JUVENILE DETENTION CENTER – (140)

From: 140-312.0 – Building Repair/Maintenance	(\$ 1,314.00)
To: 140-440.0 – Office Equipment	\$ 1,314.00

Mr. Reed seconded the motion that carried unanimously.

PROSECUTOR DEFERRAL PROGRAM – (327)

Mr. McCarty made a motion to approve the following request as presented. Mr. Hollenbeck seconded the motion, which carried unanimously.

327-313.0 – Deferral Program Participants \$ 11,475.76

SHERIFF – (105)

Sheriff Terry McLaughlin was present to seek additional appropriations to fund the Sheriff’s Pension. Tom Jones, attorney for the Sheriff’s Department, was also present. Mr. McLaughlin wanted to thank Mr. Jones for his hard work on assisting with the pension plan and noted that he has worked with this plan for several years and has not charged any fees.

Also, present was Elaine Beaty, Vice President of McCready and Keene, Inc. Ms. Beaty explained the process of how the Pension is to be funded and how the amount to be paid is calculated. She also commented that only an additional \$41,199.00 is needed, not \$473,154.00, which was the total amount due. The \$41,199.00 would catch up 2004 contributions and take care of the 2005 contributions. As far as the 2006 contribution amount, it should be based on a calculation of 24% of payroll.

Discussion was held regarding the interest rates and how it does and does not affect the pension fund’s contribution each year. Mr. West requested information on how the fund has performed over the past ten years, as far as the amount in the fund and how it has grown.

Mr. Jones noted that there cannot be three consecutive years of missing a payment; if that happens, then the fund collapses and the money is distributed. The required contribution has to be made to make the fund actuarially sound.

Mr. Mason then made a motion to table the request of \$41,199.00 for the Sheriff’s Pension until next month. Mr. Reed seconded the motion, which unanimously carried.

Sheriff McLaughlin also requested that an additional appropriation be placed into the Overtime line item for reimbursement of overtime paid out for the Big City/ County Seatbelt Enforcement Grant. He added that he is also requesting a reduction in a salary line item, which will be placed into the Courthouse Security Overtime line item.

Mr. Canary moved to approve the following requests as presented:

105-165.0 – Overtime	\$ 3,294.98
Reduction 105-113.7 – Lieutenant	(\$ 2,000.00)
<u>COURTHOUSE SECURITY – (126)</u>	
126-199.0 – Overtime	\$ 2,000.00

Mr. Reed seconded the motion that carried unanimously.

JAIL – (124)

Mr. Reed moved to approve the transfer as requested. Mr. Mason seconded the motion, which carried unanimously.

From: 124-226.0 – Operating Supplies (\$ 20,000.00)
To: 124-309.0 – Hospital & Medical \$ 20,000.00

Mr. McCarty asked if Sheriff McLaughlin anticipated on coming back month after month to fund the Hospital & Medical line item.

Sheriff McLaughlin responded yes; he is trying to use funds within the budget to help offset the high cost of inmate medical.

COUNTY MEDICAL CARE FOR INMATES – (903)

Sheriff McLaughlin also requested that the amount of money collected from inmate medical co-pays be appropriated to help offset the medical costs.

Mr. Mason made a motion to approve the request as presented. Mr. Price seconded the motion that unanimously carried.

903-200.0 – Claims for medical payments \$ 2,172.63

RAINY DAY FUND – (506)

R.J. McConnell, Commissioner, appeared before the Council to seek an additional appropriation to pay for medical claims. He stated that they have budgeted \$1.2 million for the Employee Group Health Insurance for this year, which is an increase from last year. However, they are currently averaging \$176,000.00 a month in claims and will be running short in that line item. Mr. McConnell stated that although that amount sounds high, it really isn't; this line item just has been historically under funded. He commented that there are approximately 351 employees participating in the health insurance plan, which equates to about \$502 per employee per month for claims. Mr. McConnell also noted that the Commissioners are looking at alternatives to the current health plan to help alleviate the costs.

Mr. West noted that the County has a stop-loss policy to help guard the County against high claims.

Bill Hammond, County Coordinator, responded yes, the County has a stop-loss policy with a \$75,000 specific and have about a \$2.1 million aggregate, which will provide protection towards the end of the year.

Mr. Mason commented that if the employees pay more for the coverage, they may be less likely to utilize it, knowing that they have to pay more up front.

Mr. McConnell concurred with that idea, but at this time given the financial position the County is in, he does not want the employees to have an increase in their premiums; there are other alternatives they can look at first, such as part-time employees and attorneys. He added that if you increase their premiums that equates to a pay cut for the employees.

Mr. Mason asked if the Council could receive a five-year history of how the medical costs have increased and get that information within the next ten days?

Mr. McConnell responded that that could be done; he would contact Rick Kischuk, the County's Actuary Consultant.

Mr. McCarty inquired about fund #339, Employee Group Self-Fund Health Insurance.

Barb Davis, First Deputy Auditor, replied that is the balance of what is in reserve for the Group Health Fund.

Mr. McConnell added that at one time, they had \$1 million dollars in reserve, but that has been dwindled down to what you see now (\$213,000). He preferred to leave the money in reserve in hopes to build it back up and help absorb the costs when they have bad years.

Discussion was held on whether to use the money in reserve or to use funds as requested.

Mr. McConnell also commented that it has been discussed that the County ask for reimbursement for health insurance costs from departments that are funded by grants.

Mr. West stated that they have to come up with alternatives to help absorb the increasing costs of health insurance. He even suggested giving the employees an “x” amount of money and having the employees find their own coverage on the open market.

Mr. McConnell again stated that they are looking at other avenues to explore, including shopping the open market, but that they need to do that with numbers, not individually.

Mr. Canary moved to approve half of the requested amount. Mr. Hollenbeck seconded the motion, which carried five to two; Mr. Mason and Mr. Reed voted nay.

506-210.0 – Employee Group Health Insurance	\$300,000.00
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CUMULATIVE CAPITAL DEVELOPMENT FUND – (254)

Jack Matthews, Director of Maintenance, appeared to seek additional appropriations to pay claims related to storm damage at the Johnson County Park and Johnson County Jail. Mr. Matthews noted that they have a \$10,000.00 deductible. The request for \$50,000.00 is to pay for repairs to the Courthouse and other buildings.

Mr. Mason asked what kind of repairs need to be made?

Mr. Matthews responded that the Courthouse is deteriorating; noting he has put two roofs on, replaced downspouts, the fountain needs fixed, the steps and bricks need to be worked on, and the plaster needs to be replaced because of water leaks.

Mr. Mason commented that he would prefer that once the fountain is repaired, the water not be put back into it because the water seems to be the source of most of the problems the fountain has.

Mr. Mason then made a motion to approve the following appropriations as requested:

254-417.0 – Storm Damage Repairs	\$ 10,000.00
254-427.0 – Capital Improvement Buildings	\$ 50,000.00

Mr. Price seconded the motion that unanimously carried.

COURTHOUSE – (123)

Mr. Matthews was also present to request additional appropriations for Preventive Maintenance Supplies and Utilities. He noted that he has been working with the same budget amounts for the last four years and he always runs short toward the end of the year. He also commented that for 2006 he is proposing a realistic budget, as requested.

Mr. Hollenbeck inquired what kind of supplies fall into the category of Preventative Maintenance Supplies?

Mr. Matthews replied things such as equipment, nuts, bolts, washers, chemicals for cleaning, oil, grease, etc.

Mr. Reed noted that there is currently \$9,300 in that account.

Mr. Matthews stated that he would be using that balance and the requested amount to get him through the end of the year. He also added that the reason he has money in that account is because he has been transferring money from other accounts, such as Utilities, and he is now also running short in that line item as well. The reason for the transfers was to avoid coming before the Council until it was absolutely necessary.

Discussion was held regarding the amount requested for utilities. Mr. Matthews commented that he pays a month in arrears for the utilities. He then stated that he would give the Council members a breakdown of the monthly figures for utilities during budget hearings.

Mr. Reed asked if \$30,000 would be sufficient for now?

Mr. Matthews replied that he would work with that and if he needed more, he would appear before the Council again.

Mr. Reed then moved to approve the requests as listed below:

123-213.0 – Preventive Maintenance Supplies	\$ 20,000.00
123-351.0 – Utilities	\$ 30,000.00

Mr. Hollenbeck seconded the motion that unanimously carried.

VIII. OLD BUSINESS

Mr. West distributed to each member a liaison contact sheet for each department. He also reminded everyone of the Special Joint Meeting of the County Council and County Commissioners to be held Saturday, August 13, 2005 from 9:00 am to 12:30 pm at Royal Oak Country Club regarding the discussion of a fiscal plan.

IX. NEW BUSINESS

Mr. West commented that budget hearings will begin next week and asked that the Council Members be prepared to make some tough decisions.

There being no further business, Mr. Hollenbeck moved to adjourn the meeting. Mr. Canary seconded the motion, which unanimously carried.