

CHEROKEE COUNTY
BOARD OF COMMISSIONERS

Work Session

September 20, 2011

3:00 p.m.

Cherokee Hall

MINUTES

The Chairman began at 3:04 p.m. with all members of the Board present. Due to the lengthy list of topics to discuss he started right in with the topics at hand.

1. Financial Update – Janelle Funk

Janelle approached the podium and showed a presentation of the financials. She said that as for Cash, we are where we should be. In Revenue, she stated again we were where we should be, although business licenses are lower than expected as was landfill funds, but fines and forfeitures were a little higher. Total revenue is over budget due to the increase in the millage rate which is needed to go into reserves for next year. The General fund was impacted similarly and again we are where we need to be. Expenditure reports indicate that we are going to be on target there as well. Health care costs are under budget at this point, partially because we have 75 fewer employees on the plan. EMS fund brought in \$400,000 in August so that account is back where it should be.

Commissioner Bosch asked the question that if we were already audited, would that affect us at all? Chief West commented that they have been audited in the past and had a 100 percent audit last year. The results of past audits had zero penalties. They are only auditing about 10 percent now, and it should be minimal impact to us, however they will hold that

funding until the audit is complete.

Janelle added that it will be an impact on us dollar wise but that the majority of the of the impact will be the extra work by Chief West and his staff to provide the information requested by the auditors.

Chairman Ahrens asked Janelle about the drop in legal costs. She replied that it is forecasted to be slightly over budget but that due to other offsets, it won't push the General Fund over. He also commented that we have had some unintended consequences where in the Tax Commissioner's / Tax Assessor's office we've spent as much as \$30,000 in legal expenses for a \$10,000 value but if we don't do that, we would set the precedence.

She ended by saying that our status summary and total has not changed since her last report. She said the Revenue forecast is projected that we're going to just make it in 2011.

The Chairman asked where we were in the budget evolution. She replied that budgets were due by departments to be entered into Munis by September 2. Meetings are scheduled with departments. It has been communicated to them that if they are already meeting the 75% of their 2011 budget for 2012, then they do not need to meet.

2. Presentation of Structure Options for the Parks Bond by Bryce Holcomb of Citibank.

Mr. Holcomb began the presentation by speaking about the remaining G.O. Bonds. He explained that under Georgia law, you must use the bonds or you lose it. Further discussion ensued as Mr. Holcomb went through the presentation.

3. Discussion of Regular Agenda items.

Commissioner Johnston: Commissioner Johnston spoke about the complaints from residents regarding speeding on Water Tank Road. The residents are requesting all-way stops at Free Drive and Lake Drive. County Engineering previously opposed the project because it would benefit so few and the roads are so close together. He is recommending a petition and upon 90% approval, asking Roads and Bridges to proceed, with a provision stating that it does not conform with County Engineering's recommendation.

Agenda Item 7: Mr. Cooper discussed the Health Care recommendations by the Benefits Committee. The projected increase in health care premiums for 2012 is 5.7%. The committee reviewed a presentation of CHN's Health Program referred to as a Wellness Program and statistically it shows that such a program can reduce health care costs.

To cover the increase in premium, the committee voted to raise the deductible from \$500 to \$750. That along with the \$250,000 plus going back into the fund due to overpayment will cover the employee cost for the wellness program. To encourage 100% participation in the program, the committee recommended by 12-0 vote that non-participating employees be charged a per pay period differential of \$100.

The committee also recommended changing the flexible spending provider.

Commissioner Bosch said that she does not feel that they have enough information to make a decision. Mr. Cooper agreed and asked that the Board just accept the recommendations tonight and that they would be provided more information and a Professional Services agreement with CHN by the next meeting.

Commissioner Bosch then asked if we were up against the wall in making a decision due to Open Enrollment. Mr. Cooper replied that we were not because BCBS has agreed to postpone our Open Enrollment to November.

Chairman Ahrens asked if the projected increase in premiums for 2012 was coming from the Benefits Committees review. Mr. Cooper answered that it came from Gallagher based on a look at the last 12 months.

Commissioner Nelms commented that he likes the employees being given the opportunity for input and communication on benefits.

Chairman Ahrens expressed his concern that \$100 per pay period for non-participating employees is a lot of money.

Commissioner Bosch commented that not wanting to get well was not necessarily the reason an employee might not want to participate. That there is a lot of personal information being collected for the program.

Commissioner Ahrens asked if there would be levels of participation with varying costs. Ms. Funk stated that there would not be.

Commissioner Bosch said that she is concerned about other variables such

as year two.

Carolyn Cosby with the Review and Recommendations Committee to assist County Government spoke and asked to formally submit a second letter to the Board regarding the continuation of delay in the Aquatic Center Project. Chairman Ahrens asked for further details on item 3 on the agenda previously submitted.

Commissioner Hubbard: Commissioner Hubbard asked to amend the agenda to add under his section "Child Safety Seat Week".

He then asked for support for the new Northside Hospital Cherokee and stated that flyers are located on the desk out front. He asked for letters of support as the project is receiving opposition.

Chairman Ahrens stated that the opposition is coming from WellStar and not citizens regarding the new hospital. He went on to say that this is major and much-needed economic development for Cherokee County.

The Chairman then asked if there was anything else. Hearing none, Vice Chair/Commissioner Hubbard made a motion to adjourn to Executive Session at 5:08 p.m. to discuss personnel issues, pending litigation and property acquisition. Commissioner Bosch seconded and the meeting was adjourned to Executive Session.

Executive Session to Follow