

FINANCE COMMITTEE
November 7, 2018
Minutes

Members Present: Grebner, Crenshaw, Morgan, Tennis, and Schafer

Members Absent: Anthony

Others Present: Judge Thomas Boyd, Deb Fett, Melissa Buzzard, Rick Terrill, Jill Rhode, Greg Harris, Chris Trubac, Tim Dolehanty, Teri Morton, Michael Townsend, Lindsey LaForte, and others.

The meeting was called to order by Chairperson Grebner at 6:00 p.m. in Conference Room D & E of the Human Services Building, 5303 South Cedar Street, Lansing, Michigan.

Approval of the October 17, 2018 Meeting Minutes

WITHOUT OBJECTION, CHAIRPERSON GREBNER STATED THE OCTOBER 17, 2018 MEETING MINUTES WERE APPROVED AS PRESENTED. Absent: Commissioner Anthony.

Additions to the Agenda

1. Sheriff's Office
 - c. Resolution to Eliminate One Special Part-Time Deputy Court Officer Position Assigned to the 55th District Court and increase One Part-Time Court Officer Position in the 55th District to Full-Time

10. Controller/Administrator's Office
 - d. Resolution to Authorize Agreements to Participate in a Self-Funded Prescription Drug Plan

Substitute –

3. Community Agencies – Resolution Authorizing 2019 Agreements for Community Agencies

Limited Public Comment

None.

MOVED BY COMM. MORGAN, SUPPORTED BY COMM. SCHAFFER, TO APPROVE A CONSENT AGENDA CONSISTING OF THE FOLLOWING ACTION ITEMS:

1. Sheriff's Office
 - a. Resolution to Purchase a Used 2018 Boston Whaler Boat for Ingham County Sheriff's Office Marine Patrol from Gull Lake Marine

- b. Resolution to Authorize a Contract with the Ingham County Sheriff's Office and Robertson Research Institute
 - c. Resolution to Eliminate One Special Part-Time Deputy Court Officer Position Assigned to the 55th District Court and increase One Part-Time Court Officer Position in the 55th District to Full-Time
- 2. Animal Control – Resolution to Accept a Bissell Pet Foundation Empty the Shelters Free Adoption Grant
- 3. Community Agencies – Resolution Authorizing 2019 Agreements for Community Agencies
- 4. MSU Extension – Resolution to Authorize an Agreement for Michigan State University Extension Services Between Michigan State University and Ingham County Approving the Annual Work Plan for 2019
- 6. Health Department
 - a. Resolution to Authorize Amendment #1 to the 2018-2019 Comprehensive Agreement with the Michigan Department of Health and Human Services
 - b. Resolution to Authorize an Agreement with the Michigan Department of Environmental Quality for 2018-2019
 - c. Resolution to Establish a Trust and Agency Account for the Mason Capital Area Prescription Drug Task Force
 - d. Resolution to Extend Kresge Agreement & Contract with Anker Elektra LLC
- 7. Equalization Department – Resolution Appointing Robert L. Francis as County Grant Administrator for the Ingham County Remonumentation Project
- 8. Innovation and Technology Department
 - a. Resolution to Approve Renewal of Support from Core Technology
 - b. Resolution to Approve the Purchase of Cyberark Endpoint Privilege Manager from CDW-G
 - c. Resolution to Renew the Contract for Cell Phone Services from Verizon
- 9. Facilities Department
 - a. Resolution to Authorize an Agreement with Lansing Tile & Mosaic, Inc. to Replace the Flooring in the Women's Health Two Lobby Areas and Hallway
 - b. Resolution to Authorize a Purchase Order to Vidcom Solutions for the Installation of Card Swipes on the Second Floor Judicial Hallway Stairwell at the Veterans Memorial Courthouse (VMC)
- 10. Controller/Administrator's Office
 - b. Resolution to Authorize Additional Payment to Plante Moran for Preparation of the 2018 Comprehensive Annual Financial Report
 - c. Resolution to Authorize a Grant Between the State of Michigan, Michigan Indigent Defense Commission (MIDC), Department of Licensing and Regulatory Affairs (LARA) and Ingham County to Provide Funding to Assist the County in Complying with the Compliance Plan and Cost Analysis Approved by MIDC and Resolution #17-445

11. Board Referrals

- a. Assessing Officers Report for Industrial Facility Exemption Certificates for Delhi Charter Township for 2018
- b. Resolution from the Bay County Board of Commissioners in Opposition to Senate Bill 1031, a Bill to Amend 1893 PA 206, Entitled, "The General Property Tax Act"

THE MOTION CARRIED UNANIMOUSLY. Absent: Commissioner Anthony.

THE MOTION TO APPROVE THE ITEMS ON THE CONSENT AGENDA CARRIED UNANIMOUSLY. Absent: Commissioner Anthony.

5. Parks Department – Resolution Authorizing Renewing a Contract with Spicer Group, Inc. to Provide Consulting Services to and Assist the Ingham County Parks Staff with the Delivery of Certain Millage Related Items

MOVED BY COMM. CRENSHAW, SUPPORTED BY COMM. MORGAN, TO APPROVE THE RESOLUTION.

Commissioner Schafer stated that he had some questions about this resolution and the Spicer Group. He further stated that he had asked the Parks Department and received an answer.

Commissioner Schafer stated that he wanted to note that his concerns were addressed and he appreciated that. He further stated that he was ready to vote yes.

Chairperson Grebner stated that since Tim Morgan, Parks Department Director, was not at the meeting he would have to ask Melissa Buzzard, Parks and Trails Millage Coordinator, the hard questions. He further stated that wayfinding sign issue that had come up this summer was concerning.

Chairperson Grebner asked if that behavior would that be standard from Spicer Group and the Parks Department. He asked if the Board of Commissioners needed to be watching them.

Ms. Buzzard stated that it was a learning experience. She further stated that the Parks Department and Spicer Group were moving forward with a new plan and the RFP may now be split to allow a separate bid for design.

Ms. Buzzard stated that the Parks Department had a meeting with Spicer Group recently to discuss the importance of open communication.

Chairperson Grebner stated that he wanted to note that when he discussed the design portion of the signs he was referring to the graphics of the sign.

Commissioner Morgan stated that he wanted to compliment Chairperson Grebner for catching the potential high costs of the wayfinding signs. He further stated that the initial bid of \$10,000 per sign was a bit shocking.

Commissioner Morgan stated that this was a reminder to look at the importance of watching contractors.

Commissioner Grebner stated that the wayfinding signs had not reached the point of choosing a bid, but it seemed that when they were having the discussion there was a roomful of people that agreed with the potential high price and he was the only one shocked by it. He further stated that it was not hard to catch and more people should have seen that price was insane.

Commissioner Schafer stated that he agreed with Commissioner Morgan's comments.

Discussion.

THE MOTION CARRIED UNANIMOUSLY. Absent: Commissioner Anthony

10. Controller/Administrator's Office

- d. Resolution to Authorize Agreements to Participate in a Self-Funded Prescription Drug Plan

MOVED BY COMM. TENNIS, SUPPORTED BY COMM. CRENSHAW, TO APPROVE THE RESOLUTION.

Commissioner Schafer stated that he pulled the resolution to receive an overview because it was a late resolution and he wanted a bit more time to consider it. He further stated that he wanted to know if labor supported this.

Tim Dolehanty, Controller, stated that this had to do with the Health Insurance Pool that the County had agreed to join. He further stated that this resolution allowed the County to join the contract for the prescription drug side of the pool.

Mr. Dolehanty stated that this was a three part resolution and the County would be working with another company for the high cost prescription coverage. He further stated that the third part was the stop-loss coverage.

Mr. Dolehanty stated that he was convinced that if a couple of the especially drug employees took this offer it would result in a cost savings. He further stated that he expected that overall savings to be about \$1 million.

Mr. Dolehanty stated that the specialty drug employees made up about 1% of the drug group, but there costs amount to about 50% of the total cost. He further stated that they only have until the end of the year to do this, so the item was a late item because it really was time sensitive.

Chairperson Grebner stated that a \$1 million savings would likely not all be from the general fund. He asked how much the general fund would save.

Mr. Dolehanty stated that he was not exactly sure, but expected more than half of the \$1 million to be from the general fund.

Commissioner Crenshaw stated that the overall savings for the County was \$1 million. He asked what the projected savings for the County employees would be.

Mr. Dolehanty stated that it depended on if they were specialty drug users, but most employees would not see a change in the cost for prescriptions.

Commissioner Crenshaw stated that these changes were primarily for the specialty drug users and others would not see savings.

Mr. Dolehanty stated that because the County was entering a larger pool, the theory was that all of the costs would go down. He further stated that when buying diabetic drugs, now the County buy a certain quantity, but now the economy of scale increased in the pool and all costs should go down.

Mr. Dolehanty stated that due to the cost reduction the County would realize those savings and eventually be able to pass them along. He further stated that the out-of-pocket costs would remain the same.

Commissioner Crenshaw stated that the copay and out-of-pocket costs would be the same.

Mr. Dolehanty stated that the County could reduce the cost of the premiums and pass that savings along in about three years.

Commissioner Tennis stated that the generator of savings was driven by being a member of a larger pool which drove costs down. He further stated that the County would also be purchasing stop loss protection to keep the County from going over a certain amount of costs.

Commissioner Tennis stated that this plan made a lot of sense. He further stated that it was a commentary on the state of the health care system, that much of a difference in a cost of a drug was driven by market power.

Commissioner Tennis stated that he was glad the County was taking advantage of that advantage, but sorry that the County had to do so.

Commissioner Schafer asked if labor was supportive of this plan.

Mr. Dolehanty stated that his Office and labor representatives have one more meeting concerning this issues but at this point supportive. He further stated that moving into the next year they will be meeting monthly to keep everyone up to speed.

Commissioner Schafer stated that he would like to thank Mr. Dolehanty for bringing this item forward.

Mr. Dolehanty stated that he was sorry for having it as a late item.

Chairperson Grebner stated that health care cost administration at the County was like an M.C. Escher print where the County was running up and up the hill and once at the top the County found that they were again at the bottom.

Chairperson Grebner stated that the County was always reforming, always saving money, and then always needing more reforms.

Commissioner Tennis stated that in 10 years a managed care plan will likely come in and save money and the County will change again.

THE MOTION CARRIED UNANIMOUSLY. Absent: Commissioner Anthony

10. Controller/Administrator's Office
 - a. Annual Debt Financing Report (*Informational Item*)

Mr. Dolehanty stated that the Debt Financing Policy reviewed the report.

Chairperson Grebner stated that the County had always done its best to avoid debt.

Announcements

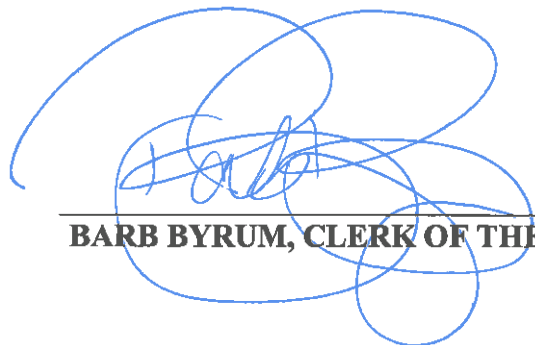
Michael Townsend, Budget Director, stated that he would like to remind the Committee that their next meeting would be on Tuesday, November 20, at 7:00 p.m. due to the Thanksgiving holiday.

Public Comment

None.

Adjournment

The meeting was adjourned at 6:23 p.m.



BARB BYRUM, CLERK OF THE BOARD

