

PENDING APPROVAL

November 19, 2009

The **Oklahoma County Budget Board** met in regular session on Thursday, November 19, 2009 at 10:00 a.m. in the Conference Room 201 of the Oklahoma County Annex Building , 320 Robert S. Kerr, Oklahoma City, Oklahoma, following statutory notice of public meeting being properly posted on Wednesday, November 18, 2009. The following members were present:

Forrest "Butch" Freeman, County Treasurer, Vice-Chairman
Leonard Sullivan, County Assessor, Member
P. D. Taylor, Chief Deputy for John Whetsel, County Sheriff, Member
Rick Buchanan, Chief Deputy for Raymond L. Vaughn, Jr. Commissioner District 3, Chairman
Mark Mishoe Chief Deputy forCarolynn Caudill, County Clerk, Secretary
Brian Maughan, Commissioner District 2, Member
Joe Blough Chief Deputy for Willa Johnson, Commissioner District 1, Member
Patricia Presley, Court Clerk, Member

Absent:

John Whetsel, County Sheriff, Member
Raymond L. Vaughn, Jr. Commissioner District 3, Chairman
Carolynn Caudill, County Clerk, Secretary
Willa Johnson, Commissioner District 1, Member

The meeting was called to order by Forrest "Butch" Freeman, County Treasurer and Vice-Chairman of the Board.

Motion by Maughan, second by Sullivan to **approve the minutes of the regular meeting dated Thursday, October 15, 2009 and the special meetings dated Wednesday, October 28, 2009.** APPROVED. Motion carried unanimously.

Motion by Maughan, second by Presley to approve the following resolutions in the consent docket:

Resolution HWY 8-10: Cash fund appropriation for Highway Cash 1110 as follows:

		9100	9200	9300	Total
1110-51000	Salary	\$125,000.00	\$150,000.00	\$109,099.30	\$384,099.30
1110-52000	Benefits	\$40,000.00	\$48,000.00	\$41,008.11	\$129,008.11
1110-53000	Travel	\$0.00	\$0.00	\$0.00	\$0.00
1110-54000	Operation	\$297,872.73	\$86,343.72	\$447,165.08	\$831,381.53
1110-55000	Capital	\$0.00	\$0.00	\$10,000.00	\$10,000.00
1110-9101-54000	Operation	\$0.00	\$0.00	\$0.00	\$0.00
1110-9102-54000	Operation	\$0.00	\$0.00	\$0.00	\$0.00
1110-9205-55000	Capital	\$0.00	\$14,965.46	\$0.00	\$14,965.46
1110-9206-54000	Operation	\$0.00	\$0.00	\$0.00	\$0.00
Total		\$462,872.73	\$299,309.18	\$607,272.49	\$1,369,454.40

PENDING APPROVAL

Budget Board Minutes,
November 19, 2009 Page 2

To appropriate miscellaneous and Tax Commission receipts for the month of October 2009 as follows (Document Received):

<u>Misc. Receipts</u>		<u>Tax Collections</u>	
Sale of Material D-1	\$1,082.49	Gross Production	\$58,301.59
Sale of Material D-2	\$0.00	Diesel Fuel Excise Tax	\$142,513.03
Sale of Material D-3	\$0.00	Gasoline Excise Tax	\$346,046.96
Reimb Gas & Fuel D-1	\$383.20	Special Fuel Tax	\$79.15
Reimb Gas & Fuel D-2	\$303.16	Veh Coll for Rds /w	
CRIRFS344,500.93			
Reimb Gas & Fuel D-3	\$1,946.05		
Reimb Parts & Serv Repair D-1	\$0.00	Interest	<u>\$3,126.71</u>
Reimb Parts & Serv Repair D-2	\$546.36	Sub Total	\$894,568.37
Reimb Parts & Serv Repair D-3	\$1,507.20		
Refund Overpmt to Vendors D-1	\$143.55		
Reimb from General Fund D-1	\$45,300.00		
Circuit Engineering D-3	\$19,047.00		
Reimb For CRS-2 Oil D-2	\$270.21		
Luther SD D-3	\$305,629.78		
OK Co Finance Auth D-1	\$87,811.50		
City of Choctaw D-1	\$10,765.53		
Choctaw SD D-1	\$150.00		
Miscellaneous Receipts Total	\$474,886.03	Total Receipts	\$1,369,454.40

Resolution TMF 7-10: Cash fund appropriation for Treasurer's Mortgage Tax Fee Fund 1140 as follows:

1140-1500-2010-51000	Salary	\$4,008.83
1140-1500-2010-52000	Benefits	\$1,216.50
1140-1500-2010-53000	Travel	\$302.14
1140-1500-2010-54000	Operation	\$2,440.44
1140-1500-2010-55000	Capital	<u>\$4,997.09</u>
Total		\$12,965.00

To appropriate receipts for the month of October 2009. (Document Received)

Resolution CCLF 9-10: Cash fund appropriation for County Clerk Lien Fee Fund 1150 as follows:

1150-1700-2010-55000	Capital	\$7,270.02
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To appropriate receipts for the month of October 2009. (Document Received)

Resolution UCC 9-10: Cash fund appropriation for County Clerk Uniform Commercial Code Fee Fund 1151 as follows:

1151-1700-2010-51000	Salary	\$23,838.00
1151-1700-2010-52000	Benefits	\$15,850.00
1151-1700-2010-55000	Capital	<u>\$34,663.66</u>
Total		\$74,351.66

To appropriate receipts for the month of October 2009. (Document Received)

PENDING APPROVAL

Budget Board Minutes,
November 19, 2009 Page 3

Resolution CCRP 9-10: Cash fund appropriations for County Clerk Records Preservation and Management Fund 1152 as follows:

1152-1700-2010-51000	Salary	\$20,783.00
1152-1700-2010-52000	Benefits	\$7,000.00
1152-1700-2010-55000	Capital	<u>\$41,344.93</u>
Total		\$69,127.93

To appropriate receipts for the month of October 2009. (Document Received)

Resolution SF 7-10: Cash fund appropriation for Sheriff Service Fee Fund 1160 as follows:

1160-5100-2010-51000	Salary	\$45,000.00
1160-5100-2010-52000	Benefits	\$15,000.00
1160-5100-2010-54000	Operation	\$41,184.49
1160-5105-2010-54000	Operation	\$75,000.00
1160-5105-2010-55000	Capital	\$40,000.00
1160-5160-2010-54000	Operation	\$6,630.69
1160-5160-2010-55000	Capital	<u>\$10,000.00</u>
Total		\$232,815.18

To appropriate interest and miscellaneous receipts for the month of October 2009. (Document Received)

Resolution SSR 8-10: Cash fund appropriation for Sheriff Special Revenue Fund 1161 as follows:

1161-5108-2010-54000	Operation	\$40,000.00
1161-5110-2010-51000	Salary	\$700,000.00
1161-5110-2010-52000	Benefits	\$65,204.95
1161-5110-2010-54000	Operation	\$100,000.00
1161-5111-2010-54000	Operation	\$131,088.99
1161-5112-2010-54000	Operation	\$50,000.00
1161-5112-2010-55000	Capital	\$382,890.82
1161-5113-2010-54000	Operation	\$3,513.35
1161-5146-2010-54000	Operation	<u>\$160,000.00</u>
Total		\$1,632,698.11

To appropriate interest and miscellaneous receipts for the month of October 2009. (Document Received)

Resolution AFR 6-10: Cash fund appropriation for Assessor's Fee Revolving Fund 1201 as follows:

1201-1300-2010-55000	Capital	\$3,673.50
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To appropriate receipts for the month of October 2009. (Document Received)

Resolution JPF 7-10: Cash fund appropriation for Juvenile Probation Fee Fund 1231 as follows:

1231-5200-2010-54000	Operation	\$4,747.12
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To appropriate receipts for the month of October 2009. (Document Received)

PENDING APPROVAL

Budget Board Minutes,
November 19, 2009 Page 4

Resolution JWRF 7-10: Cash fund appropriation for Juvenile Work Restitution Fund 1232 as follows:

1232-5200-2010-54000	Operation	\$3,848.00
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To appropriate receipts for the month of October 2009. (Document Received)

Resolution JGF 7-10: Cash fund appropriation for Juvenile Grant Fund 1233 as follows:

1233-5217-2010-54000	Operation	\$275.00
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To appropriate grant receipts for the month of October 2009. (Document Received)

Resolution PC 7-10: Cash fund appropriations for Planning Commission Fee Fund 1240 as follows:

1240-3000-2010-51000	Salary	\$10,000.00
1240-3000-2010-52000	Benefits	<u>\$2,666.45</u>
Total		\$12,666.45

To appropriate fee receipts for the month of October 2009. (Document Received)

Resolution CSF 9-10: Cash fund appropriations for Community Service Fee Fund 1260 as follows:

1260-3100-2010-51000	Salary	\$1,540.00
1260-3105-2010-54000	Operation	<u>\$7,119.00</u>
Total		\$8,659.00

To appropriate fee receipts for the month of October 2009. (Document Received)

Resolution SENT 7-10: Cash fund appropriations for Community Sentencing Fund 1270 as follows:

1270-3110-2010-51000	Salary	\$12,636.15
1270-3110-2010-52000	Benefits	\$4,971.60
1270-3110-2010-53000	Travel	\$621.45
1270-3110-2010-54000	Operation	\$1,864.35
1270-3110-2010-55000	Capital	<u>\$621.45</u>
Total		\$20,715.00

To appropriate fee receipts for the month of October 2009. (Document Received)

Resolution DCF 7-10: Cash fund appropriation for Drug Court Fund 1280 and appropriate cash fund as follows:

1280-3150-2010-51000	Salary	\$45,687.50
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To appropriate fee receipts for the month of October 2009. (Document Received)

Resolution MHCF 3-10: Cash fund appropriation for Mental Health Court Fund 1282 as follows:

1282-3160-2010-54000	Operation	\$10,000.00
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To appropriate fee receipts for the month of October 2009. (Document Received)

Resolution CIR 7-10: Cash fund appropriation for Capital Improvement- Regular Fund 2010 as follows:

2010-1200-2010-55000	Capital	\$37.82
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PENDING APPROVAL

Budget Board Minutes,
November 19, 2009 Page 5

To appropriate interest receipts for the month of October 2009. (Document Received)

Resolution CID 2-10 Cash fund appropriation for Capital Improvement-District 2020 as follows:

2020-1200-2010-55000	Capital	\$1,500,000.00
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To appropriate receipts deposited on November 9th from the Bureau of Indian Affairs for their portion of matching funds for a bridge project in District 2 on Triple X Road at the North Canadian River. Funds will be immediately remitted to the Oklahoma Department of Transportation. (Document Received)

Resolution CIT 6-10: Cash fund appropriation for Capital Improvement- Tinker Fund 2030 as follows:

2030-1200-2010-55000	Capital	\$.68
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To appropriate interest receipts for the month of October 2009. (Document Received)

Resolution TCF 6-10: Cash fund appropriation for Tinker Clearing 2002 – Fund 2031 as follows:

2031-1202-2010-55000	Capital	\$567.05
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To appropriate interest receipts for the month of October 2009. (Document Received)

Resolution CB 8-10: Cash fund appropriation for County Bonds 2008, Fund 2032 as follows:

2032-0001-2010-54000	Operation	\$1.29
2032-1203-2010-55000	Capital	\$104.91
2032-1204-2010-55000	Capital	\$314.79
2032-1205-2010-55000	Capital	\$639.34
2032-1206-2010-55000	Capital	\$2,089.78
2032-1207-2010-54000	Operation	<u>\$149,608.97</u>
Total		\$152,759.08

To appropriate interest and sale of material receipts for the month of October 2009. (Document Received)

Resolution SOPP 6-10: Cash fund appropriation for Sale of Property Proceeds 2050 as follows:

2050-1200-2010-55000	Capital	\$.49
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To appropriate interest receipts for the month of October 2009. (Document Received)

Resolution EB 11-10: Cash fund appropriation for Employee Benefits 4010 as follows:

4010-0001-2010-54000	Operation	\$155,042.52
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To appropriate balance of receipts for the month of October 2009. (Document Received)

Resolution EB 12-10: Cash fund appropriation for Employee Benefits 4010-0001-2010-54000 in the amount of \$950,000.00. To appropriate miscellaneous receipts for the month of November contingent upon funds to be posted on November 30, 2009.

PENDING APPROVAL

Budget Board Minutes,
November 19, 2009 Page 6

Resolution WC 7-10: Cash fund appropriation for Worker's Compensation Fund 4020 as follows:

4020-0001-2010-54000	Operation	\$18,062.01
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To appropriate receipts for the month of October 2009. (Document Received)

Resolution LL 5-10: Cash fund appropriations for Law Library Fund 6010 as follows:

6010-0001-2010-51000	Salary	\$8,200.00
6010-0001-2010-52000	Benefits	\$2,000.00
6010-0001-2010-54000	Operation	\$42,898.86
6010-0001-2010-55000	Capital	<u>\$1,000.00</u>
Total		\$54,098.86

To appropriate receipts for the month of October 2009. (Document Received)

Resolution GF 9-10: Transfer of General Fund appropriations for Facilities Maintenance 2801 in the amount of \$14,000.00 as follows:

From 1001-2801-2010-55000	Capital	\$14,000.00
To 1001-2801-2010-54000	Operation	\$14,000.00

The transfer is necessary to complete the purchase of shelving for the Court Clerk's move to the new storage warehouse. (Document Received)

Resolution GF 10-10: Transfer of General Fund appropriations for District Attorney-County 2100 in the amount of \$55.34 as follows:

From 1001-2100-2010-54000	Operation	\$55.34
To 1001-2100-2010-55000	Capital	\$55.34

Transfer is necessary to correct an Oracle error in the capital account. (Document Received)

Resolution HWY 9-10: Carry-over appropriations for Highway Cash 1110 in the amount of \$28,826.03. To close out and move funds from fiscal year 2008-09 to fiscal year 2009-10. (Document Received)

Resolution CCRP10-10: Carry-over appropriation for County Clerk's Records Preservation Fund 1152 in the amount of \$20,105.32. To close out and move funds from fiscal year 2008-09 to fiscal year 2009-10. (Document Received)

Resolution SF 8-10: Carry-over appropriation for Sheriff Service Fee Fund 1160 in the amount of \$22,681.44. To close out and move funds from fiscal year 2008-09 to fiscal year 2009-10. (Document Received)

Resolution SSR 9-10: Carry-over appropriation for Sheriff Special Revenue Fund 1161 in the amount of \$812,446.32. To close out and move funds from fiscal year 2008-09 to fiscal year 2009-10. (Document Received)

Resolution DCF 8-10: Carry-over appropriation for Drug Court Fund 1280 in the amount of \$8,096.00. To close out and move funds from fiscal year 2008-09 to fiscal year 2009-10. (Document Received)

PENDING APPROVAL

Budget Board Minutes,
November 19, 2009 Page 7

Resolution CIR 8-10: Carry-over appropriation for Capital Improvement-Regular 2010 in the amount of \$18,217.50. To close out and move funds from fiscal year 2008-09 to fiscal year 2009-10. (Document Received)

Resolution TCF 7-10: Carry-over appropriation for Tinker Clearing 2002 Fund 2031 in the amount of \$2,141.11. To close out and move funds from fiscal year 2008-09 to fiscal year 2009-10. (Document Received)

Resolution CB 8-10: Carry-over appropriation for County Bonds 2008 Fund 2032 in the amount of \$1,217,015.50. To close out and move funds from fiscal year 2008-09 to fiscal year 2009-10. (Document Received)

Resolution EB 13-10: Carry-over appropriation for Employee Benefits Fund 4010 in the amount of \$676.10. To close out and move funds from fiscal year 2008-09 to fiscal year 2009-10. (Document Received)

Resolution WC 8-10: Carry-over appropriation for Worker's Compensation Fund 4020 in the amount of \$2,166.80. To close out and move funds from fiscal year 2008-09 to fiscal year 2009-10. (Document Received)

Resolution JF 3-10: Carry-over appropriation for Jail Facility Fund 2040 in the amount of \$26,245.50. To close out and move funds from fiscal year 2008-09 to fiscal year 2009-10. (Document Received)

Resolution LL 7-10: Carry-over appropriation for Law Library Fund 6010 in the amount of \$5,264.49. To close out and move funds from fiscal year 2008-09 to fiscal year 2009-10. (Document Received)

Resolution SSR10-10: Transfer of appropriations for Sheriff Special Revenue Fund 1161 in the amount of \$3,919.40 as follows:

From 1161-5166-2010-51000	Salary	\$20.51	
From 1161-5166-2010-52000	Benefits	\$2,029.54	
From 1161-5166-2010-53000	Travel	\$269.35	
From 1161-5166-2010-54000	Operation	<u>\$1,600.00</u>	
Total		\$3,919.40	
To 1161-5110-2010-54000	Operation		\$3,919.40

Transfer is necessary to close-out Traffic Safety Grants 2009. (Document Received)

Resolution SSR 11-10: Transfer of appropriations for Sheriff Special Revenue Fund 1161 in the amount of \$617.34 as follows:

From 1161-5167-2010-51000	Salary	\$24.25	
From 1161-5167-2010-52000	Benefits	\$53.65	
From 1161-5167-2010-53000	Travel	<u>\$539.44</u>	
Total		\$617.34	
To 1161-5110-2010-54000	Operation		\$617.34

PENDING APPROVAL

Budget Board Minutes,
November 19, 2009 Page 8

Transfer is necessary to close-over the Traffic Safety Grants 2009. (Document Received)
APPROVED. Motion carried unanimously.

Danny Lambert, Account Manager for the County Clerk's office stated on Page 1) Page 1 – is the General Fund Cash for the end of October. The cash balance was \$1,794,768 as compared to last year when the balance was \$1,571,151, which is an increase of 13.8%. There was another temporary cash transfer of another \$5,030,000 in October, which makes the total \$16,980,000 to date. Lambert stated the temporary cash transfers are done until we get funds coming in from the tax bills, which are starting to come in. Freeman stated they are starting to come in and we received 2.3 million last night and the big bulk of the funds will come in with the mortgage companies pay in the last ten days of December. We should be able to return all the dollars that have been borrowed by the middle of January. Lambert stated that Christie did say that another \$3,000,000 was going to be borrowed this month in order to help get us through the rest of the year and that should be the last time any money is transferred to General Fund for cash flow purposes. Page 3)- Compares the year to date October to a year to date October last year. Over all year to date revenue is down \$1,775,378 or 27.9% less than last year, \$381,014 in property tax, \$359,461 is exempt mfg tax, \$155,983 Charges for Services, \$153,475 is in Clerk Recording fees. We are down about 10% over a year ago, but we did only budget at 90% so we are alright in that category. We are also down \$704,074 in Intergovernmental revenue and \$623,451 T&GA Grants. Interest Income is down \$266,378 and the miscellaneous category is down by \$267,928, which last year had \$168,280 in stale dated checks. Year to date expenditures are \$505,734 thousand more or (2.2%) as compared to last October. If you net out T&GA Grants of \$561,927 the expenses are up \$1,067,662 or (4.8%). Lambert distributed another document that summarizes the expenditures by department and categories. Page 8) is the Trigen expenditure graph, overall we are down. General Government is down \$564,831 and \$507,682 is Trigen and that is because gas prices are a lot lower this year. Page 9) Workers Compensation Fund Cash Balance ended at \$173,613 and last year was \$348,485. We still have \$500,000 that was budgeted that has not been transferred yet. We are waiting for the property taxes to come in so we will have the funds to transfer. Page 11) the Employee Benefits Fund cash balance is \$1,378,327 compared to last year's balance of \$2,154,806. Medical Claims for the month of October were \$942,690, that is higher than our monthly budget of \$736,979. The total prescription claims for the month of October were \$128,761, which is lower than our budgeted average is \$264,834. If you add the medical claims and prescription claims together and compare them to a year ago, this year we have spent \$4,329,821 and last year we spent \$3,369,520, which is \$1,023,301 more just through the month of October. Freeman stated he understood we have had a couple of really big claims and asked the representative from Mutual Assurance Administrators if they have hit the stop loss amount yet. The MAA representative stated she thought they barely hit the \$250,000 maximum or may be right under. Lambert continued by explaining that so far in November medical and prescription claims are at \$1,157,308. That makes 4 months in a row that we have had claims over a million dollars. Last year we had two months where total claims were over a million dollars. If we keep up this pace we will end up \$643,641 short. At some point depending on how January and February look we may have to transfer some money from the reserve account. New premiums for the employees and retirees go into effect in January. The employees go up, but the retirees go down so that will net out to about \$7,000 less that will be coming in. Maughan asked if the retirees are going to get a notice about the new premiums. Debra Clark stated that they are preparing the notices and

PENDING APPROVAL

Budget Board Minutes,
November 19, 2009 Page 9

they have started sending them out. Mishoe stated that there are letters going out because he has received some phone calls wanting to know if the letter was accurate. Maughan just wanted them to know that their elected officials are doing everything they can to reduce their cost. We certainly get the bad press. Maughan asked to receive a copy of the letter. Lambert continued with Page 15) is the special revenue funds, which shows what has been appropriated and what has been expended. Lambert stated he has nothing further unless there are questions.

Motion by Presley, second by Sullivan to accept **the Monthly Financial Report as presented by Danny Lambert, County Clerk's Accounting Manager. This item requested byCarolynn Caudill, County Clerk and Secretary to the County Budget Board. (Document Received.)** APPROVED. Motion carried unanimously.

Motion by Buchanan, second by Maughan to **establish a new fund and cost center under the County Commissioners in order to track revenues and expenditures generated by the Tax Assessment District Project No. 3-2009-A Boucher Road Improvement as follows:**

Fund	1118	Tax Assessment District Fund
Cost Center	1230	Boucher Road 3-2009-A
Accounts	54 & 55	Operation and Capital

The 1200 series of Cost Centers is under the Board of County Commissioners. Funds will be received from individuals paying for the road improvement, appropriated to this fund, paid to the construction company who built the road. This item requested by Carolynn Caudill, County Clerk and Secretary to the Board. APPROVED. Motion carried unanimously.

Motion by Buchanan, second by Maughan to **approve Resolution TAD 1-10: Cash fund appropriation for Tax Assessment District Fund 1118 in the amount of \$40,758.39 as follows:**

1118-1230-2010-54000	Operation	\$40,758.39
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This item is to appropriate funds received for payment November 1st through November 13th. This item requested by Randy Grau, Deputy for Commissioner District No. 3. (Document Received) APPROVED. Motion carried unanimously.

Freeman stated that he understands that Mr. Lambert may have a different approach on the next item and he thinks he likes that approach better. Lambert explained that this item got left out during the budget process. Last year the District Attorney County had a travel budget of \$3,900. It was discussed putting it in the General Government instead of the District Attorney's budget and somehow it got left out totally. We are trying to correct that because we have some pending travel claims that are starting to come in for reimbursement. What Mr. Freeman is talking about is putting it in the General Government and setting up a line item in the travel account for \$3,900 and we could transfer it. There is enough money in the operation account to transfer it up to travel. If you will recall we budgeted about \$290,000 more in the Trigen line item than what is actually needed, so there are some funds in that line item that we can transfer instead of taking it from the reserve account. Freeman stated he would encourage and support anything we can do to keep from hitting the reserve fund for anything granted it is a small amount. The District Attorney's civil contract is in the General Government account anyway. This would be the

PENDING APPROVAL

Budget Board Minutes,
November 19, 2009 Page 10

cleanest of all the paperwork. Prince stated the cost center 9995 would change to 1100 and the cost center 2100 would change to 1100 also.

Motion by Freeman, second by Mishoe to approve Resolution GF 11-10: the as explained Transfer of General Fund appropriations from General Government 1100-54000 to General Government 1100-53000 in the amount of \$3,900 as follows:

From 1001-1100-2010-54000	Operation	\$3,900.00	
To 1001-1100-2010-53000	Travel		\$3,900.00

Request to transfer funds to the District Attorney Travel account is necessary because it was erroneously cut from the contract amount that was originally requested in the General Government Estimate of Needs. The \$3,900 was budgeted in the District Attorney-County 2100 cost center in fiscal year 2008-09, but in past years it has always been in the same cost center as the Civil Division contract. APPROVED. Motion carried unanimously.

Discussion and possible action concerning options for the Oklahoma County Health and Dental Plans regarding accepting a Certificate of Creditable Coverage in order to waive medical underwriting. This item requested byCarolynn Caudill, County Clerk and Secretary to the Board. (Document Received)

Mishoe stated that there is a representative here from Mutual Assurance Administrators. This has been discussed at one of our past meetings for them to come back with some recommendations. The item on the agenda for executive session will be affected by this item. Candace Amini, Executive Director of Client Services for Mutual Assurance explained that HIPPA is part of the legislation that Oklahoma County does not have to abide by. Oklahoma County can abide by all of the HIPPA law or part of it. The part that is affecting your plan that creates me having to appear at previous executive session is on individuals who are applying for health insurance coverage who would have been able to provide that they have had continuous insurance coverage all along, which would probably be less of a risk to the plan. Those individuals were not able to provide that proof of certificate and come on to the plan without medical underwriting. What abiding by the portion of the HIPPA would allow those folks who had credible coverage would be allowed to come on to the plan and be treated just like anyone came on to the plan as a new hire or you could have them come on to the plan and have them wait through a portion of their credible coverage. Freeman stated one of the things we have discussed before is providing to those who come back on the plan the same benefits as a brand new employee. Amini stated that is certainly something the County could write into the plan that if they provide proof of credible coverage then they would be eligible the same as a newly hired employee or a newly eligible dependant. Presley stated that would be fairly consistent with those we have viewed in the past. Freeman asked if she would need to bring something back to the Board or is this it. Amini stated that one of the options could be considered. Options 1, 2, or 3, those are the options that the county has. The first one is to comply with all of HIPPA. The second one is to waive medical underwriting for individuals who have evidence of continuous coverage. The third one is to do away with medical underwriting and allow them to come on the plan with a longer pre-existing time period. Amini stated that they are written here we would just need to change the language in the plan document. Freeman stated that if we approved number 3 today that would be it. Freeman asked what MAA would recommend as an effective date. Freeman stated he would think January 1st would be a good effective date because that is when

PENDING APPROVAL

Budget Board Minutes,
November 19, 2009 Page 11

our plan is on a calendar year. Clark stated she also wanted to ask the question as to whether they wanted to grandfather in previous employees they have approved. Freeman asked why they need to grandfather them in, when they have already been approved. Clark stated that for those people when the Board approved them they were not covered under the stop loss. Freeman stated that what he is hearing is that you want the effective date to be today. Amini stated that she is still not sure if the stop loss carrier would grandfather those other employees in. The carrier would want to know why you want to do that. Clark asked when we go up for renewal would it increase the fees for the county. Amini stated she didn't really know if it would do that. Mishoe asked if the carrier has been contacted about the County might be changing this and what affect that may have on our coverage. Amini stated they have been contacted, but we have not heard back from them. January renewals are coming up and they have been slammed. They have not chosen to reply to the request we sent, they just haven't replied yet and she should be hearing something any day. Mishoe stated so we really don't know any monetary affect as far as that is concerned at this point. Amini stated she doesn't see any because our specific stop loss deductible is \$250,000 and the county is adding something that all other medical plans are already doing. Blough asked on numbers 2 and 3, 2 appears to be a situation where a job loss or something and they present the certificate of coverage. Number 3 opens it up for anything and there is no certificate of coverage and it would appear that 3 would subject us possibly taking somebody on the plan that is high risk. Number 2 appears to lessen the County's risk. Blough also asked what the difference when it says credible coverage could or could not reduce preexisting limitations versus 18 months for pre-existing instead of the normal 12. Amini stated that number 2 is what HIPPA calls special enrollees. Special enrollees can come on to the plan, provide credible coverage and reduce their amount by pre-existing. You can choose whether or not to reduce the pre-existing or not. Blough stated for example I have a bad heart and I have been continuously employed somewhere else. My wife works here, I get laid off, she wants to add me. Right now as it goes through underwriting you would say no. Under option 2 because I have continuously have insurance I would come on and it would pick me up immediately. Amini stated and the county could chose to reduce the pre-existing or not. Blough stated on option 3, I've never had insurance, I get laid off, I have a bad heart, my wife adds me, I come on with an 18 month pre-existing. Amini stated that instead of 12 months or number 2, a new enrollee or dependant and reduce their amount of pre-existing by the amount of credible coverage. Number 3 doesn't even look at credible coverage just call those people special enrollee and they come on to the plan and they are subject to 18 months of pre-existing. So what that really does is that they are actually finding out that they are sick, they need medical insurance and you need to come on to the health plan. Probably you are not going to be able to have something done right away. You are not going to be able to wait 18 months if you have a bad heart condition and you need insurance. That is why they put the 18 months in there and that is the protection to the plan. I agree with your statement that number 3 is probably more of a risk to the plan than number 2. Buchanan stated that number 3 is most similar to a new employee hire. Amini stated no actually number 2 with pre-existing. Presley asked if she was saying this would not have a financial impact on the County. Amini stated that she can not say that because she has not heard from the carrier. Logically, your plan is dissimilar to other plans because you do not have to comply with this. I do not know if they took that into consideration when they first underwrote your plan. If they didn't and they just underwrote you like anybody else then I would say it won't have an impact. But, if they gave you better rates because you do medical underwriting then it may. Presley asked how long it would take to get that questions answered. Amini stated that she just

PENDING APPROVAL

Budget Board Minutes,
November 19, 2009 Page 12

heard from the County's stop loss carrier. The underwriter there said they would like to get a one to two percent increase. Presley stated that she feels the decision on this is premature and would like to table it until the next meeting.

Motion by Presley, second by Maughn to table the item until the next meeting **the options for the Oklahoma County Health and Dental Plans regarding accepting a Certificate of Creditable Coverage in order to waive medical underwriting. This item requested byCarolynn Caudill, County Clerk and Secretary to the Board. (Document Received)** TABLED. Motion carried unanimously.

Discussion and possible action regarding a recommending using Milliman for the County's medical actuary next year. This item requested by Carolynn Caudill, County Clerk and secretary to the Board.

Mishoe stated that we have using Mr. Harkin for our Employee Benefits actuary, but we have used Milliman for our retirement system and we are satisfied with Milliman. They do an excellent job. We have had some issues with Mr. Harkin this past year trying to get the data pulled together so that we could bring it to the Board. They have had to go through and redo it a couple of times. Freeman stated that he has no problem with it, the County Clerk's office are the ones who have to work with them. Freeman asked if this was premature, aren't we through with it for this year. Clark stated that she really doesn't feel that it is premature. The last go around the benefits department really had a hard time. They are very late starting with the annual enrollment, because we had to keep going back and forth with Mr. Harker so that we were comfortable with the information that he was providing to us. We have come before the Board in the past asking for approval to use Milliman, but we did not get it before and it takes us through a lot and I'm not an actuary. If we could possibly get approval to obtain the services of Milliman, the County Clerk's office will have to provide Milliman with some extensive information and we really don't want to wait until next year when we are trying to work on the rates, so that we can go ahead and get a jump on things and get them what they need. Freeman stated so the answer is yes, you would like to have it now. Clark stated yes.

Motion by Presley, second by Mishoe to approve **using Milliman for the County's medical actuary next year. This item requested by Carolynn Caudill, County Clerk and secretary to the Board.** APPROVED. Motion carried unanimously.

Discussion and possible action to receive the GASB 45 Other Post Employment Benefits Actuary Report prepared by Milliman to be presented by Danny Lambert, County Clerk's Accounting Manager. This item request by Carolynn Caudill, County Clerk and Secretary to the County Budget Board. (Document Received.)

Lambert distributed official copies of the Actuary Report for the GASB 45. He explained that GASB 45 requires governments to start reporting their other post employment benefits other than pension. The other post employment benefits are health, dental, vision, and prescription drugs to eligible retirees. Last year was the first year the county was required to report the GASB 45 in our Comprehensive Annual Financial Report (CAFR). What GASB 45 requires is governments that provide OPEB, which is Other Post Employment Benefits, to retirees the Accounting

PENDING APPROVAL

Budget Board Minutes,
November 19, 2009 Page 13

Standard Boards feel that the county is incurring an expense now for payments they are going to have to pay in the future. In order to come up with what that cost is you have to have an actuary come in and estimate what those costs are going to be. Last year in our CAFR we reported the net obligation of \$2,747,000. That is a direct impact on our balance sheet. That is a liability that we have to report. Overall last year the unfunded liability of this was \$75 million. The Accounting Standards Board lets you amortize over a thirty year period. You do not have to report it all at once. I mentioned we have to have the actuary every year and this year there is a change. I would like to point out our unfunded liability. The amount the county reported last year was \$75,814,000. The biggest changes in 2007 when we did the report they did not get the prescription data, so the numbers are going to increase quit a bit. Some other reasons are prescriptions claims higher than expected, premiums lower than expected and they had a change in the trend log, which also will have a result in the dollar amount we have to report. We will be going from an unfunded liability of \$75,814,000 last year to an unfunded liability this year of \$135,000,000. The actual liability that we book this year will be \$14,000,000 over and above the \$7,000,000 that we booked last year. That is a direct impact on our net assets and on our balance sheet, which will affect our financial report. Sullivan asked if the county is going to have to put money in this to keep in compliance. Lambert stated no, GASB does not mandate that you fund this program, which is the recommendation that you put \$14,000,000 aside for your future cost down the road. You can continue with the pay as your go approach, which is currently what we take on all of our benefits. Presley asked if we don't fall into that category of having to comply because we are a governmental agency. Lambert stated that it is just an accounting standard that you are required to report it on your financial statements. They can not mandate that you set a certain amounts aside for those costs. Presley asked if that was true for private sector and government. Lambert stated it is true for government sector. Lambert stated that this is the report and we are just asking that you receive the report today, showing that we provided you the information and it will go onto the Commissioners agenda also to be received.

Motion by Mishoe, second by Maughan to **receive the GASB 45 Other Post Employment Benefits Actuary Report prepared by Milliman to be presented by Danny Lambert, County Clerk's Accounting Manager. This item request byCarolynn Caudill, County Clerk and Secretary to the County Budget Board. (Document Received.)** APPROVED. Motion carried unanimously.

Motion by Blough, second by Maughan to recess into executive session. RECESSED. Motion carried unanimously.

Pursuant to Title 25 O. S. § 307(B)(4), discussion regarding confidential communication between the Board and its attorney concerning a pending investigation, claim, or action of Joy Salyards, because the Board, with the advice of its attorney, has determined that disclosure would seriously impair the ability of the Board to process the claim or conduct a pending investigation, litigation, or proceeding in the public interest.

Action regarding the confidential communications between the Board and its attorney concerning a pending investigation, claim or action of Joy Salyards.

PENDING APPROVAL

Budget Board Minutes,
November 19, 2009 Page 14

Motion by Mishoe, second by Taylor to make an exception for Joy Salyards to approve dependent coverage to be effective November 1, 2009, dependent upon premium being paid. APPROVED. Motion carried as follows: Maughan, no; Buchanan, aye; Blough, aye; Mishoe; Sullivan, aye; Taylor, aye; Presley, aye; Freeman, aye.

Board Comments/ Comments from the Elected Officials. Taylor stated that he appreciates the Boards action on reducing the cost to the Retirees. Buchanan stated that Commissioner Vaughn is out of state visiting relatives and will return after the holidays and wishes everyone a Happy Thanksgiving. Blough stated that Commissioner Johnson is home and doing well.

Citizens' participation. Any citizen wishing to address the Oklahoma County Budget Board on an Agenda Item may do so at this time. No citizens wishing to participate at this time.

New Business. In accordance with the open Meetings Act, Section, 311.9, New Business is defined, as "any matter not known about or which could not have been reasonably foreseen prior to the time of posting the Agenda." No new business at this time.

There being no further business to come before the Board motion by Maughan, second by Presley to adjourn the meeting at 11:05 a.m. until the next meeting. ADJOURNED. Motion carried unanimously.

OKLAHOMA COUNTY BUDGET BOARD

Ray L. Vaughn, Jr., Commissioner District No. 3,
and Chairman to the Board

Forrest "Butch" Freeman, County Treasurer
and Vice-Chairman to the Board

ATTEST:

Carolynn Caudill, County Clerk and
Secretary to the Board