

AGENDA
CUYAHOGA COUNTY FINANCE & BUDGETING COMMITTEE SPECIAL MEETING
THURSDAY, SEPTEMBER 22, 2011
CUYAHOGA COUNTY JUSTICE CENTER
COUNCIL CHAMBERS – 1ST FLOOR
9:00 AM

1. CALL TO ORDER
2. ROLL CALL
3. APPROVAL OF MINUTES FROM THE SEPTEMBER 19, 2011 MEETING
4. PUBLIC COMMENT RELATED TO THE AGENDA
5. MATTERS REFERRED TO COMMITTEE
 - a) O2011-0041: An Ordinance authorizing, enacting and designating an additional five percent of all collections of delinquent real property, personal property, and manufactured and mobile home taxes and assessments to be deposited in the delinquent tax and assessment collection fund for the use of and appropriating such amount to the use of the Cuyahoga County Land Reutilization Corporation
 - b) R2011-0277: A Resolution authorizing awards on RQ20292 to various providers for group healthcare benefits for County employees and their eligible dependents, including medical and pharmacy benefit management services for the period 1/1/2012 - 12/31/2014; authorizing plan structures of the standard benefit plans as recommended by the Cuyahoga County Human Resource Commission; authorizing the County Executive to enter into contracts consistent with said awards; and declaring the necessity that this Resolution become immediately effective.
 - 1) Medical Mutual, LLC, in the amount not-to-exceed \$92,093,992.00.
 - 2) United HealthCare Insurance Company in the amount not-to-exceed \$94,194,221.00.
 - 3) Kaiser Foundation Health Plan of Ohio in the amount not-to-exceed \$26,113,651.00.

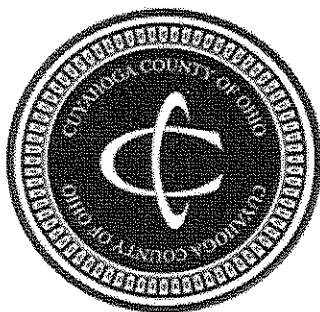
4) Caremark PCS Health LLC Prescription Drug Plan in the amount not-to-exceed \$33,070,329.00.

6. MISCELLANEOUS BUSINESS

7. OTHER PUBLIC COMMENT

8. ADJOURNMENT

In accordance with Ordinance No. O2011-0020, complimentary parking for the public will be available **beginning at 4:00 p.m.** on any day when the Council or any of its committees holds evening meetings. Please see the Clerk to obtain a parking pass.



MINUTES
CUYAHOGA COUNTY FINANCE & BUDGETING COMMITTEE MEETING
MONDAY, SEPTEMBER 19, 2011
CUYAHOGA COUNTY JUSTICE CENTER
COUNCIL CHAMBERS – 1ST FLOOR
1:00 PM

1. CALL TO ORDER

Chairman Miller called the meeting to order at 1:08 p.m.

2. ROLL CALL

The Clerk called the roll. Committee members Miller, Gallagher, Germana, Schron, Jones, Simon and Greenspan were in attendance and a quorum was determined. Councilmember Brady was also in attendance.

3. APPROVAL OF MINUTES FROM THE SEPTEMBER 12, 2011 MEETING

A motion was made by Mr. Jones, seconded by Mr. Greenspan and approved by unanimous vote to approve the minutes from the September 12, 2011 meeting.

4. PUBLIC COMMENT RELATED TO THE AGENDA

There was no public comment.

5. MATTERS REFERRED TO COMMITTEE

- a) R2011-0277: A Resolution authorizing awards on RQ20292 to various providers for group healthcare benefits for County employees and their eligible dependents, including medical and pharmacy benefit management services for the period 1/1/2012 - 12/31/2014; authorizing plan structures of the standard benefit plans as recommended by the Cuyahoga County Human Resource Commission; authorizing the County Executive to enter into contracts consistent with said awards; and declaring the necessity that this Resolution become immediately effective.

Elise Hara, Director of Human Resources, Lisa Durkin, Deputy Director of Human Resources, Wade Steen, Fiscal Officer and Dan Finland, Employee Benefits International addressed the Committee regarding Resolution No. R2011-0277. Discussion ensued.

Resolution No. R2011-0027 was postponed from further consideration at this time.

- b) R2011-0272: A Resolution amending the 2011 Annual Appropriation Measure by providing for additional fiscal appropriations from the General Fund and other funding sources, for appropriation transfers between budget accounts, and for cash transfers between budgetary funds, in order to meet the budgetary needs of various County departments, offices, and agencies; and declaring the necessity that this Resolution become immediately effective.

Matt Rubino, Director of the Office of Budget & Management, Mr. Steen and Vallerie Propper, Assistant Deputy Chief of Public Safety & Justice Services addressed the Committee regarding Resolution No. R2011-0272. Discussion ensued.

A motion was made by Ms. Simon, seconded by Mr. Jones and approved by unanimous vote to amend Ordinance No. O2011-0041 by deleting Section 1, Item O. All subsequent sections are to be renumbered accordingly.

A motion was made by Mr. Germana, seconded by Mr. Greenspan and approved by unanimous vote to amend Ordinance No. O2011-0041 by deleting Section 1, Item P. All subsequent sections are to be renumbered accordingly.

On a motion by Mr. Germana with a second by Mr. Greenspan, Resolution No. R2011-0272 was considered and approved by unanimous vote to be referred to the full Council agenda under second reading suspension of rules, as amended.

- c) O2011-0041: An Ordinance authorizing, enacting and designating an additional five percent of all collections of delinquent real property, personal property, and manufactured and mobile home taxes and assessments to be deposited in the delinquent tax and assessment collection fund for the use of and appropriating such amount to the use of the Cuyahoga County Land Reutilization Corporation.

Mr. Steen, Paul Komlosi, Consultant for the Cuyahoga County Land Reutilization Corporation (Cuyahoga Land Bank) and Gus Frangos, President and General Counsel of the Cuyahoga Land Bank addressed the Committee regarding Ordinance No. O2011-0041. Discussion ensued.

On a motion by Mr. Schron with a second by Mr. Greenspan, Ordinance No. O2011-0041 was considered and tabled until the next meeting of the Committee by majority vote with Mr. Miller and Mr. Jones casting dissenting votes.

6. MISCELLANEOUS BUSINESS

- a) **DISCUSSION OF PROCESS FOR CY2012-3 BUDGET HEARINGS**

Chairman Miller outlined a draft schedule for the CY2012-13 Budget Hearings.

- b) **PRESENTATION ON CUYAHOGA COUNTY'S FORECLOSURE PREVENTION PROGRAM - PAUL BELLAMY**

Chairman Miller announced that the presentation on Cuyahoga County's Foreclosure Prevention Program will take place at the October 3, 2011 meeting of the Committee.

7. OTHER PUBLIC COMMENT

There was no public comment.

8. ADJOURNMENT

With no further business to discuss and on a motion by Mr. Greenspan with a second by Mr. Jones, the meeting was adjourned at 3:53 p.m., without objection.

County Council of Cuyahoga County, Ohio

Ordinance No. O2011-0041

Sponsored by: Councilmembers Brady, Miller, Connally, Jones, Rogers and Conwell	An Ordinance authorizing, enacting and designating an additional five percent of all collections of delinquent real property, personal property, and manufactured and mobile home taxes and assessments to be deposited in the delinquent tax and assessment collection fund for the use of and appropriating such amount to the use of the Cuyahoga County Land Reutilization Corporation, and declaring the necessity that this Ordinance become immediately effective.
--	---

WHEREAS, the Treasurer of Cuyahoga County, Ohio (the "County Treasurer"), pursuant to and in accordance with Section 321.341 of the Ohio Revised Code, has heretofore made the special tax advances authorized in Section 321.341 of the Ohio Revised Code (the "Special Tax Advances") from the collections of current late and delinquent taxes and the proceeds of current year delinquent tax collection anticipation notes (the "DTANs") to provide base funding to the Cuyahoga County Land Reutilization Corporation (respectively, the "Base Funding" and the "Corporation") in the form of the penalties and interest on such current late and delinquent taxes and assessments upon their collection (the "P&I Collections") and in an annual estimated amount of, but not exceeding in any event, \$7,000,000 (the "Maximum Base Funding Amount");

WHEREAS, in order to (i) more accurately estimate, more efficiently provide and more economically collect and distribute Base Funding to the Corporation, up to, but not exceeding, the Maximum Base Funding Amount for its fiscal years 2011 and 2012, (ii) eliminate the need for the issuance by Cuyahoga County, Ohio (the "County") of DTANs and (iii) save the Corporation the costs of issuance of the DTANs and the payment of interest thereon by the Corporation, the Corporation has asked that the County Treasurer, pursuant to division (B) of Section 321.261 of the Ohio Revised Code, request that this County Council, upon consultation with the County Executive, authorize, enact and designate pursuant to division (B) of Section 321.261 of the Ohio Revised Code an additional five percent (5%) deduction from all collections of delinquent real property, personal property and manufactured and mobile home taxes and assessments (hereafter, the "Additional DTAC Fee") to be deposited in the delinquent tax and assessment collection fund (the "DTAC Fund") and, subject to the limitation hereinafter provided through the Maximum Base Funding Amount, transferred in part or in whole to the Corporation as part of its Base

Funding in lieu of P&I Collections otherwise generated from the Special Tax Advances made with DTAN Proceeds; provided, however, that the aggregate amount transferred to the Corporation in any fiscal year from the DTAC Fund and the county land reutilization fund created and maintained under Section 321.263 of the Ohio Revised Code (the "County Land Reutilization Fund") shall not exceed the Maximum Base Funding Amount;

WHEREAS, pursuant to subdivision (B) of Section 321.261 of the Ohio Revised Code, the County Treasurer has communicated to one or more members of this Council a request from the Corporation that this Council consider the authorization, enactment and designation of the Additional DTAC Fee; and

WHEREAS, this Council acknowledges and finds that continuing provision through the County of the annual Base Funding of the Corporation in an amount equal to, but not exceeding, the Maximum Base Funding Amount is in the best interests of the County and is necessary for the Corporation to continue to achieve its mission and public purposes of, among others, alleviating the slum and blight of vacant, abandoned and foreclosed properties within the County and the negative consequences which certain national real estate practices and the recent recession have inflicted on the local real estate markets, and therefore this Council desires to authorize, enact and designate the Additional DTAC Fee in lieu of P&I Collections otherwise generated from the Special Tax Advances made with DTAN Proceeds, subject to the provisions of this Ordinance;

NOW, THEREFORE, BE IT ENACTED BY THE COUNTY COUNCIL OF CUYAHOGA COUNTY, OHIO:

SECTION 1. Additional DTAC Fee. Pursuant to and in accordance with Section 321.261(B) of the Ohio Revised Code and subject to the other provisions of this Ordinance, this Council hereby authorizes, enacts and designates the Additional DTAC Fee in the amount of five percent (5%) to be applied on all collections of delinquent real property, personal property and manufactured and mobile home taxes and assessments solely for the use of the Corporation as part of its Base Funding, commencing immediately upon the effective date of this Ordinance and continuing through December 31, ~~2012~~ 2012, at or prior to which time this Council may reconsider reauthorization of the Additional DTAC Fee.

SECTION 2. Maximum Base Funding. Notwithstanding the provisions of Section 1 of this Ordinance, the aggregate amount transferred to the Corporation from the DTAC Fund and the County Land Reutilization Fund in any single fiscal year of the Corporation shall not exceed the Maximum Base Funding Amount.

SECTION 3. Deposit and Appropriation of Additional DTAC Fee. All amounts constituting the Additional DTAC Fee shall be deposited in the DTAC Fund, and such amounts upon their deposit in such fund, subject to the provisions of Section 2 hereof, are hereby appropriated for the sole use of the Corporation and shall be

disbursed to the Corporation upon warrant of the Fiscal Officer of the County (the "Fiscal Officer").

SECTION 4. Delivery to County Treasurer and Fiscal Officer. The Clerk of Council is hereby instructed to transmit a copy of this Ordinance upon its execution by the County Council President, the County Executive and the Clerk of Council to the Fiscal Officer and the County Treasurer.

~~**SECTION 5. Effective Date.** Provided this Ordinance receives the affirmative vote of eight members of Council, it shall take effect immediately upon the signature of the County Executive; otherwise it shall take effect at the earliest time permitted by law. It is hereby determined to be necessary that this Ordinance become immediately effective in order to avoid the issuance by the County of the DTANs for the Corporation's 2011 fiscal year and to ensure continued distribution of the Corporation's Base Funding for fiscal year 2011 and fiscal year 2012.~~

SECTION 5. Replacement of DTAN. The issuance of DTAC funds under this Ordinance shall be contingent upon the County Treasurer not electing to recommend issuance of DTAN advances pursuant to Sections 321.341 and 133.082 of the Ohio Revised Code. Should DTAN advances be issued, the additional 5% DTAC fee under this Ordinance shall no longer be applied.

SECTION 6. Open Meeting Determination. It is found and determined that all formal actions of this Council meeting and relating to the adoption of this Ordinance were adopted in an open meeting of the Council, and that all deliberations of this Council and of any of its committees that resulted in such formal actions were in meetings open to the public, in compliance with all legal requirements, including Section 121.22 of the Ohio Revised Code.

On a motion by _____, seconded by _____, the foregoing Ordinance was duly enacted.

Yeas:

Nays:

County Council President Date

County Executive Date

Clerk of Council Date

First Reading/Referred to Committee: August 23, 2011
Committee(s) Assigned: Finance & Budgeting

Second Reading/Referred to Committee: September 13, 2011
Committee(s) Assigned: Finance & Budgeting

Additional Sponsorship Requested on the Floor: September 13, 2011

Journal _____
_____, 2011

County Council of Cuyahoga County, Ohio

Resolution No. R2011-0277

<p>Sponsored by: County Executive FitzGerald/Department of Human Resources/Human Resource Commission</p>	<p>A Resolution authorizing awards on RQ20292 to various providers for group healthcare benefits for County employees and their eligible dependents, including medical and pharmacy benefit management services for the period 1/1/2012 - 12/31/2014; authorizing plan structures of the standard benefit plans as recommended by the Cuyahoga County Human Resource Commission; authorizing the County Executive to enter into contracts consistent with said awards; and declaring the necessity that this Resolution become immediately effective.</p>
---	--

WHEREAS, the contracts with the County's healthcare benefits providers expire on December 31, 2011; and,

WHEREAS, the Department of Human Resources and the Department of Procurement and Diversity issued RQ20292 to seek proposals from various providers for group healthcare benefits for County employees and their eligible dependents, including medical and pharmacy benefit management services for the period January 1, 2012 through December 31, 2014; and,

WHEREAS, said proposals have been received and reviewed with the assistance of the County's healthcare benefits consultant, Employee Benefits International, Inc. ("EBI"); and,

WHEREAS, EBI recommended benefits plan structures that were presented to the Human Resource Commission of Cuyahoga County ("HRC") and were adopted by the HRC for recommendation to Council and the County Executive during its September 7, 2011 meeting; and,

WHEREAS, the plan structures recommended by the HRC for the standard benefit plans to cover employees of Cuyahoga County are comparable to the benefits plans provided to employees by other counties in the Northeast Ohio region; and,

WHEREAS, the standard plans recommended by the HRC for the provision of benefits to all employees, unless otherwise restricted by a collective bargaining agreement, contain the following elements: a deductible of \$250 for single coverage and \$500 for family coverage, 90% co-insurance, maximum out-of-pocket costs of \$1500 for single coverage and \$3,000 for family coverage, and various other benefit level and cost containment features comparable to benefit plans offered by other counties in Northeast Ohio; and,

WHEREAS, the healthcare benefits program recommended by the HRC also contains a wellness incentive and smoking cessation component wherein employees can earn money in a health reimbursement account to use towards their deductibles or, for participants in the MetroHealth Plan, to receive back as a monetary incentive; and,

WHEREAS, the State Employment Relations Board recently released its 19th Annual Report on the Cost of Health Insurance in Ohio's Public Sector which confirms that the recommended structure for the County's standard plan is consistent with the overwhelming majority of plans offered by political subdivisions throughout the State of Ohio;

WHEREAS, the HRC has endorsed EBI's recommendation that awards on RQ20292 be made to various providers for group healthcare benefits for County employees and their eligible dependents, including medical and pharmacy benefit management services for the period January 1, 2012 through December 31, 2014; and,

WHEREAS, it is necessary that this Resolution become immediately effective to ensure the efficient operation of the County and so that open enrollment may proceed in October as planned.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNTY COUNCIL OF CUYAHOGA COUNTY, OHIO:

SECTION 1. That the standard healthcare benefit plan structure recommended by the HRC for provision of benefits to all employees, unless otherwise restricted by an existing collective bargaining agreement, be adopted which shall include a deductible of \$250 for single coverage and \$500 for family coverage, 90% co-insurance, maximum out-of-pocket costs of \$1500 for single coverage and \$3,000 for family coverage, a wellness incentive program, and various other benefit level and cost containment features comparable to benefit plans offered to employees by other counties in Northeast Ohio.

SECTION 2. That awards on RQ20292 be, and the same are hereby made to various providers for group healthcare benefits for County employees and their eligible dependents, including medical and pharmacy benefit management services for the period January 1, 2012 through December 31, 2014 as follows:

- 1) Medical Mutual, LLC, in the amount not-to-exceed \$92,093,992.00.
- 2) United HealthCare Insurance Company in the amount not-to-exceed \$94,194,221.00.
- 3) Kaiser Foundation Health Plan of Ohio in the amount not-to-exceed \$26,113,651.00.
- 4) Caremark PCS Health LLC Prescription Drug Plan in the amount not-to-exceed \$33,070,329.00.

