

FINANCE COMMITTEE MEETING
THURSDAY, MAY 1, 1997 8:00 AM
ROOM 564, COUNTY COURTHOUSE

Present: H. Mac Tyson II, Chairman
Billy R. King, Commissioner
Ed G. Melvin, Commissioner

OTHERS: J. Lee Warren, Jr., Commissioner
County Staff
Chip Dodd, BFI
Press

The meeting was duly called to order.

INVOCATION: Commissioner Billy R. King

Committee Chairman Tyson recognized Commissioners' Chairman J. Lee Warren and welcomed him to the meeting.

AGENDA ITEMS:

1. Update on Project Financing for the Library, Social Services Building and the Community Correction Center.

Deputy County Manager James Martin reviewed the handout presented to the Committee Members which outlined the actions and corresponding dates for financing of the Library, Community Corrections Center, Department of Social Services and Jail. The handout is attached hereto and incorporated into these minutes.

Mr. Martin advised the Architect for the jail has indicated they will have the project ready to bid next summer. Staff will need to obtain more information on the parking deck. The parking deck will impact the scheduling of the jail.

Commissioner King asked why the landfill project was not on the list.

Mr. Martin advised the landfill project is not going to be financed. The project will be on the May 5th meeting agenda to award construction bids.

Commissioner Melvin asked what was being done with regard to the parking deck.

County Manager Cliff Strassenburg stated that if the parking deck is built first, the jail project will be pushed farther into the future. This will affect the construction costs of the jail because of inflation. He noted staff may be able to find sufficient open land in the near area to use for parking. They may consider leasing some of the City of Fayetteville's unused parking on a temporary basis. If the cost of leasing some parking would be less than the inflation to delay construction of the jail, both projects may be done at the same time. They are also considering looking to a private parking operator to see if they would build a deck and operate it. The first thing to be done is to get a study of what our parking demands are for the old and new courthouse so that we can determine how many spaces we need to build.

Commissioner King asked if any thought had been given to hiring people similar to the ones hired by Cape Fear Valley Hospital to determine our needs for the future.

Mr. Strassenburg stated they want to hire an outside consultant to study the parking. Staff would not do the study and they do not want to use someone who builds parking decks to do the study.

Commissioner Tyson asked if there was a chance of doing the jail and the parking deck together.

Mr. Strassenburg stated doing both projects at once is a scenario to explore. They need to determine the availability of land in the area and if the City has some under-utilized parking areas. The lease would have to be less than the inflationary costs for the jail. Building the parking deck first would cause a 16 to 18 month delay on the jail.

Commissioner Tyson stated the jail will have enough expense and we need to move as quickly as possible.

2. Report on Health Insurance Plan.

Carlisle McCutcheon, Finance Director advised as has been done for the past few years, a Consultant was hired and requests For Proposals (RFP's) were obtained. The Consultants have recommended that we continue to be self insured. It was also recommended that a second plan (PHP) be added. However, because we have a contract with the Association of County Commissioners, it would be a conflict to add a second plan. It was also recommended that the County go from a \$75,000 stop loss to \$100,000. If the County had three people to go over \$75,000 in medical expenses, we would lose money. We already have two people over \$100,000. With our many older employees and the fact that we are more likely to have instances of high cost illnesses, he would recommend that the County keep the stop loss at \$75,000. He feels continuing to be self insured is the way to go. He does not plan to hire a consultant next year.

MOTION: Commissioner King offered a motion to adopt the staff recommendation to continue to be self insured and keep our stop loss at \$75,000.
SECOND: Commissioner Melvin
VOTE: UNANIMOUS

3. Other Committee Concerns.

No other committee concerns were raised.

MOTION: Commissioner King offered a motion to adjourn.
SECOND: Commissioner Melvin
VOTE: UNANIMOUS

Meeting adjourned at 8:15 AM.