

Lexington-Fayette Urban County Government Council Meeting

Lexington, Kentucky November 9, 2010

The Council of the Lexington-Fayette Urban County Government, Kentucky convened in special session on November 9, 2010 at 3:00 P.M. Present were Mayor Newberry in the chair presiding, and the following members of the Council: Council Members McChord, Myers, Stinnett, Beard, Blues, Ellinger, Gorton, Gray, Henson, James, Lane, Lawless, and Martin. Absent were Council Members Crosbie and Feigel.

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The Mayor explained the reasons for convening a Special Council meeting to discuss a budget shortfall due to employee health insurance expenses. He stated that there were several options to offset some of the expenses, and stated that there was an issue with timing as open benefits enrollment was about to begin. The Mayor stated that there were two options for the meeting – to make a motion to raise rates, and therefore proceed with discussion, or if the Council chose not to raise the rates, then the meeting should be adjourned.

Mr. Myers asked the Mayor what the increase in rates would need to be in order to offset the budget shortfall. The Mayor responded that the information was contained in the packet that was distributed before the meeting.

The Council discussed their desire to see a presentation on the options for offsetting the expense of the employee health insurance before they made a decision about raising rates.

Mr. Myers made a motion, seconded by Ms. Gorton, and approved by unanimous vote, to move forward with the presentation.

The Mayor called on Mr. Ryan Barrow, Director of the Div. of Budgeting, to begin the presentation.

Mr. Barrow began the presentation and explained that he would speak about the financial portion of the issue and Ms. Leslie Jarvis, Acting Director of the Div. of Human Resources, would speak to the benefits portion. Mr. Barrow and Ms. Jarvis gave their presentations.

Mr. Stinnett asked for clarification about how the budget shortfall would affect non-collective bargaining vs. collective bargaining employees. Ms. Jarvis responded.

Mr. Stinnett made a statement about the issue.

Ms. Gorton asked questions about the timeline for changing employee health insurance rates. Mr. Rama Dhuwaraha, Chief Information Officer, responded. Ms. Gorton also asked questions of Ms. Jarvis and Mr. Barrow.

The Council continued to ask questions of Ms. Jarvis.

Mr. Myers made a motion, seconded by Mr. McChord, and approved by unanimous vote, to move the issue of a Wellness Program and incentives for employees, and adjusted premiums based on those programs into the Intergovernmental Committee.

The Council continued to ask questions of Ms. Jarvis and to discuss the issue.

Ms. James asked questions of Mr. Barrow and Ms. Jarvis. Mr. Bill O'Mara, Director of the Div. of Revenue, spoke to Ms. James' question also.

Ms. Gorton asked if we currently ask all active employees over age 65 to make Medicare their first payer. Ms. Jarvis stated she would find out.

Mr. Gray stated his concerns about the issue.

Mr. Gray made a motion, seconded by Ms. James, and approved by unanimous vote, to ask for help from the Commonwealth of Ky. Personnel Cabinet officials in examining our situation and offering recommendations.

Mr. Stinnett asked a question of Ms. Glenda George, Dept. of Law, regarding the contractual agreement with Humana. Ms. Jarvis and Ms. George responded.

Ms. Lawless stated several concerns.

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Upon motion of Ms. Gorton, seconded by Ms. Henson, and approved by unanimous vote, the meeting adjourned at 4:34 p.m.

Clerk of the Urban County Council