

**DESOTO COUNTY BOARD OF SUPERVISORS**

**BOARD MEETING MINUTES**

**ALLEN LATIMER, PRESIDENT 2011 PRESIDING**

**January 18, 2011**

**A. CALL TO ORDER**

The January 18, 2011 meeting of the DeSoto County Board of Supervisors was called to order by Supervisor Bill Russell, Board President.

Sheriff Bill Rasco of the DeSoto County Sheriff’s Department was present and did open the DeSoto County Board of Supervisors meeting in a regular session to hear any and all business to come before the Board. The following were present:

- Supervisor Jessie Medlin-----District 1
- Supervisor Eugene C. Thach-----District 2
- Supervisor Bill Russell-----District 3
- Supervisor Allen Latimer-----District 4
- Supervisor Tommy Lewis-----District 5
- W. E. Sluggo Davis-----Chancery Clerk
- Michael Garriga-----County Administrator
- Tony Nowak -----Board Attorney
- Sheriff Bill Rasco-----Sheriff

**B. INVOCATION**

County Administrator Michael Garriga presented the invocation.

**C. PLEDGE OF ALLEGIANCE**

**D. CITIZEN COMMENTS**

**1. Litter in DeSoto County**

Supervisor Tommy Lewis said Mr. Patrick Littlefield asked to talk to the Board of Supervisors regarding litter in DeSoto County. Supervisor Lewis said Mr. Littlefield had a conflict and could not appear today and would reschedule for a later date.

**2. ICS Head Start**

Supervisor Allen Latimer said there have been issues in the newspapers about ICS Head Start. Supervisor Latimer said Michael Garriga and Supervisor Bill Russell met with Head Start representatives on Friday, but they are not at the meeting today. He asked if there was anyone present who wished to make comments.

Mr. Ben Hogan of Highway 51 North, Lot 160, Nesbit, Mississippi, appeared before the Board. Mr. Hogan said he is retired from the U.S. Navy and now works as the custodian at Head Start and has worked there for twelve years. He wanted to discuss their policies and said he has written letters to the representatives of ICS Head Start to try and address his concerns, but he received no response. Mr. Hogan said he thought Head Start would be attending the Board meeting today and he hoped to voice his concerns to them. Mr. Hogan said he did not want to be responsible for Head Start losing funding, but he has concerns about their policies including

banning Santa Claus. He said, it appears other Head Start organizations, including Shelby County, do not ban Santa Claus so he does not think a directive came from the government. Supervisor Latimer asked if his job had been threatened. Mr. Hogan said he read in the paper that he may lose his job, but he would still stand up to Head Start

Supervisor Latimer asked Mr. Hogan how long he served in the U.S. Navy. Mr. Hogan said he served twenty two years. Supervisor Latimer told Mr. Hogan that he appreciated his sacrifice and for him standing up and fighting for his beliefs.

Mr. Hogan said he read insinuations, but he would still stand up to Head Start.

Supervisor Latimer asked Supervisor Bill Russell the outcome of the meeting that was held on Friday with Head Start representatives.

Supervisor Russell said various government agencies comply with certain regulations. This Board has no control over them. He said the Board has funded two buses for Head Start in the past, but the Board can do whatever they decide on future funding. He said Head Start did say their policies are driven down by their superiors.

Supervisor Latimer said they laying this off on their superiors but it did not come from Jackson. He asked Supervisor Russell about his visit with Head Start.

Supervisor Russell said this Board has no authority over this issue. He said Head Start says they are a governing agency and they have to comply with regulations. Supervisor Russell said personally, he does not feel it is right to support them any longer. He said they maintain that those regulations were handed down to them from their headquarters. They say they want to contact them to rectify the problem.

Supervisor Latimer said the paper said it didn't come from Jackson. Supervisor Russell said he is reporting what he was told.

Supervisor Latimer said the people need to talk to the U.S. Senators, Congressmen and Legislators.

Supervisor Jessie Medlin asked if they still plan to ask the Board of Supervisors for a local and private in place for another bus.

Supervisor Russell said no.

Supervisor Medlin said he did not like this situation either. He said the county budget is tight and the Board of Supervisors may not be able to fund a bus anyway. Supervisor Medlin said Head Start does a lot of work and helps a lot of kids and he is not against Head Start. He said they do not even submit a report or any financial records that show they need county funding. This is a federal program and he does not know what kind of federal money they get. He said they may not be in a budget crisis.

Mr. Hogan said he has already contacted Washington and will hand carry the policy directly to them.

Supervisor Russell said he appreciated Mr. Hogan and admired him for taking a stand and he said he personally supported Mr. Hogan.

Supervisor Eugene Thach asked Supervisor Medlin if he is not going to support funding a bus because of the issues with the policy regarding Santa Claus. Supervisor Medlin as the last local and private has expired so there will be no way to support it. Supervisor Medlin said he was not going to support it because of the expense.

Mr. Hogan said another thing that bothered him is that kids love Santa Claus.

Supervisor Russell said the information he got was more about religion and not necessarily Santa Claus.

Supervisor Latimer said this is not only an issue with Santa Claus. The issue is our culture. Our culture is slowly being chipped away. Supervisor Latimer said he wants the Head Start policy to be part of the meetings minutes. He briefly read his position on other holidays. Supervisor Russell said the policy does not refer to Mother or Father's day. Instead it is list as "caregiver day".

Supervisor Latimer told Mr. Hogan the policy goes against the concept of American culture. He said our country is based on culture. He said President Roosevelt stated that we cannot be a great country without a strong cultural foundation. All the Board can do is a shine a little spotlight on your concerns about the situation. Supervisor Latimer read a quote as follows:

Theodore Roosevelt's ideas on immigrants and being American in 1907.

"In the first place, we should insist that if the immigrant who comes here in good faith becomes an American and assimilates himself to us, he shall be treated on an exact equality with everyone else, for it is an outrage to discriminate against any such man because of creed, or birthplace, or origin. But this is predicated upon the person's becoming in every facet an American, and nothing but an American... There can be no divided allegiance here. Any man who says he is an American, but something else also, isn't an American at all. We have room for but one language here, and that is the English language...and we have room for but on sole loyalty and this is a loyalty to the American people."

Theodore Roosevelt 1907

Supervisor Thach said in the twenty years he has been on the Board, they have never been involved in how other organizations are run. He disagreed with having the policy as part of the minutes. Supervisor Thach said the Board should not get involved in this. It is other people's opinion. The Board agreed the policy would not be made part of the minutes. Supervisor Latimer said he would like it to be in the minutes.

Supervisor Latimer asked if the County Administrator's office can keep a copy of the policy in case citizens would like to have a copy. The Board agreed that would be acceptable. Supervisor Latimer said he would like Michael Garriga to write a letter to Head Start to see if the handout is their policy. Supervisor Russell said, as passionate as he is on this matter, he does not think the Board of Supervisors should take any further action on this issue. He said the Board of Supervisors does not have any authority over the organization. Supervisor Latimer asked if the Board has any problem if he calls. The Board agreed that was Supervisor Latimer's decision.

Later in the program Mr. Edward R. Jordan of 7165 Hickory Estates in Walls, Mississippi, appeared before the Board of Supervisors to discuss the Head Start issue. Mr. Jordan said he heard the Board has been talking about the Head Start program. He said he is really upset about this because it is chipping away at America. He said his grandson loves Christmas and he is very adamant about issues involving American heritage and taking things away from that. Mr. Jordan apologized for missing the discussion on this issue and he would not vote to help Head Start in any way because of their stand on issues involving American culture.

No motions were made nor votes taken on this issue.

## **E. CONSENT**

Supervisor Allen Latimer requested item E.6.b be moved to New Business.

Supervisor Jessie Medlin asked about the changes to overlay and if bids had been solicited.

Road Manager Russell Dorris said no, we are getting it ready to bid and working on the four year road plan.

Supervisor Medlin said, regarding micro-seal, he would rather the Board install pavement rather

than micro-seal. He said in order to install micro-seal we are pulling up thermoplastic and the reflectors. Mr. Dorris said those are valid points. He said they use micro-seal rather than chip seal. He said the micro-seal is less expensive.

The Board of Supervisors considered the items on the Consent Agenda. Supervisor Bill Russell made the motion and Supervisor Eugene Thach seconded the motion to approve the Consent Agenda as follows with the exception of item E.6.b:

**1. Finance & Accounting**

**a. Approve Interfund Loan (2)**

From: General County Fund	001-000-054	\$9,500.00
To: Hazard Mitigation Grant	037-000-149	\$9,500.00
From: General County Fund	001-000-054	\$3,700.00
To: 1994 Walls Sewer Bonds I&S	290-000-149	\$3,700.00

**b. Request to Make Interfund Transfer**

From: \$9.3 Million Bonds I&S Fund	\$6,700.00	(221-900-951)
To: 2010 Refunding Bonds I&S Fund	\$6,700.00	(227-000-387)

**c. Budget Amendment Requests-See Exhibit**

**d. Contract Hasler Postage Machine-Memphis Communication Corp.-\$458 mo. 63 mo. lease**

**2. Procurement: Solicit Bids for Janitorial Supplies**

**3. Board Attorney: Approve Interlocal Agreements and Resolutions of Support**

**a. Town of Walls for Animal Control**

**b. Town of Walls for Road Maintenance**

**4. Requisition Clerks for Circuit Court Administrator and Circuit Court Reporter**

**a. Remove Judge Andy Baker**

**b. Add Judge Smith Murphy & Judge Gerald Chatham**

**5. Safety Officers Report (1)**

**6. Department of Road Management**

**a. Changes to 2011 Asphalt Overlay List**

**b. Road Condition List Affidavits**

**c. Four Year Road Plan (2011-2014)**

**7. Chancery Clerk Allowance (1) - \$2,266.66**

**8. Assistant Receiving Clerk for Youth Services**

**a. Appoint Vickie Patton**

**b. Remove Rikki Ogle**

The motion passed by a vote as follows:

Supervisor Jessie Medlin-----YES

Supervisor Eugene C. Thach-----YES  
Supervisor Bill Russell-----YES  
Supervisor Allen Latimer-----YES  
Supervisor Tommy Lewis-----YES

See Exhibit E.1

**F. OLD BUSINESS**

**G. NEW BUSINESS**

**1. Justice Court Collection Fees**

Justice Court Clerk Shirley Beshears reminded the Board of Supervisors they gave approval for Justice Court to collect late fees on delinquent and “failed to appear” notices. Ms. Beshears said currently the rate is fifteen percent for in state and twenty five percent for out of state fees. Ms. Beshears asked the Board to consider increasing the fees to twenty-five percent for in state fines and fifty-percent for out of state fines.

Supervisor Bill Russell asked Ms. Beshears when fines are considered delinquent. Ms. Beshears responded delinquent accounts are over 90 days. She said they are given 90 days to have the opportunity to pay and it takes time and effort to collect the fees.

Supervisor Russell asked how they are contacted. Ms. Beshears state her office sends a letter and issue show cause notices. She said some people will call and ask for extensions. The judges have the discretion and authorization to grant extensions. She said collections are higher during tax season.

Supervisor Russell asked if it is legal to charge more for people from out of state. Board Attorney Tony Nowak said yes, it is legal unless the Court’s find the statute unconstitutional at some point.

Supervisor Eugene Thach asked Ms. Beshears the rate of successful collections. Ms. Beshears said they have a ninety seven percent collection rate. Supervisor Thach confirmed that Ms. Beshears is requesting to raise the collection rate to twenty five percent and fifty percent. Ms. Beshears that is correct. He said that sounds like a large increase.

Supervisor Allen Latimer said it sounds like the rates need to be raised to offset the costs of collecting the fees. Ms. Beshears confirmed and said Justice Court not only spends time on these collections but they have to pay for postage and other costs to request people to come in and pay their fees.

Supervisor Russell said Ms. Beshears and her office do a great job. If someone breaks the law and they choose not to pay their fine, then they should have to pay the additional cost.

Ms. Beshears said there are outstanding fines of \$500,000.

Supervisor Tommy Lewis said he is not sure everything can be in place by March 1. He would like to give them more time. He suggested April 1. Ms. Beshears said it can be done at a later date. This only applies to fines that are past 90 days. That is when the late fee is charged. She said she thinks it can be done by March 1. He asked if the judge has the authority to take them off the list. Ms. Beshears said they have all the authority.

Supervisor Russell asked if they get amnesty will the fees be waived. Ms. Beshears said no because these fees have already been assessed.

Supervisor Bill Russell made the motion and Supervisor Tommy Lewis seconded the motion to raise the collection fees for delinquent fines and “failed to appear” to twenty five percent in state and fifty percent for out of state effective April 1, 2011. The motion passed by a vote as follows:

Supervisor Jessie Medlin-----YES  
Supervisor Eugene C. Thach-----NO  
Supervisor Bill Russell-----YES  
Supervisor Allen Latimer-----YES  
Supervisor Tommy Lewis-----YES

See Exhibit G.1

**2. Tax Advisory Recommendations**

Mr. Jim Flanagan President and CEO of the DeSoto County Economic Development Council appeared before the Board of Supervisors to present tax exemption recommendations for two companies. Mr. Flanagan said the first company, C.E. Bio, LLC opened on Stateline Road two years ago and they have now purchased a building and would like the Board's consideration for tax exemption. He introduced Mr. Brad Pope

**a. CE-BIO, LLC**

Mr. Pope said they started in a small office on Stateline Road. He explained their business has done so well that they are now expanding to re-packaging products. He said they are located in the Metro Industrial Park.

Supervisor Jessie Medlin asked if they anticipate hiring more employees. Mr. Pope said they will hire more employees. The line crew will increase to approximately 15 employees. Mr. Pope said they are requesting a 10 year real property and a freeport tax exemption.

Supervisor Bill Russell questioned the annual income of \$100,000 with a payroll of \$155,000. Supervisor Russell said he did not understand how they can operate with payroll being higher than income. Mr. Pope explained the process of arriving at those figures. He also stated that they are selling to China, which income is not reflected in the paper work before the Board, and that makes a difference.

Supervisor Allen Latimer said he noticed that no one from their company lives in DeSoto County. He said that Mr. Pope stated the new person coming in is from Shelby County. Mr. Pope said that is correct. He said they will begin recruiting from DeSoto County when they expand.

Supervisor Jessie Medlin made the motion and Supervisor Eugene Thach seconded the motion to approve a 10 year real property tax exemption and a freeport warehouse tax exemption for C.E. Bio, LLC. The motion passed by a vote as follows:

Supervisor Jessie Medlin-----YES  
Supervisor Eugene C. Thach-----YES  
Supervisor Bill Russell-----YES  
Supervisor Allen Latimer-----YES  
Supervisor Tommy Lewis-----YES

See Exhibit G.1.a

**b. Jimco Lamp Company**

Mr. Dan Shear of Jimco Lamp Company appeared before the Board of Supervisors. Mr. Shear said they are located in the same building that was used by Stylecraft for many years. He requested a Freeport tax exemption. The warehouse space is 251,000 square feet. He said they also have a facility in the Deerchase complex located on Getwell Road. He said they are part of HomeCor Company which is a \$200 million a year company. They are the largest supplier for Target, Walmart and several other companies. Mr. Shear said they are centralizing the distribution center. They have 400 employees and he has been a resident of Olive Branch for

six years.

Supervisor Allen Latimer thanked Mr. Shear for bringing his company to DeSoto County and hiring residents from the area.

Supervisor Bill Russell said Mr. Shear's employee benefits package is the best summary he has seen.

Supervisor Allen Latimer made the motion and Supervisor Jessie Medlin seconded the motion to approve a Freeport warehouse tax exemption for Jimco Lamp Company. The motion passed by a vote as follows:

Supervisor Jessie Medlin-----YES  
Supervisor Eugene C. Thach-----YES  
Supervisor Bill Russell-----YES  
Supervisor Allen Latimer-----YES  
Supervisor Tommy Lewis-----YES

**See Exhibit G.2.b**

### **3. Finance & Accounting: Supplemental Claims Docket**

The claims docket was presented by Chief Financial Officer Tom Arnold and Accounting and Finance Clerk Stephanie Hanks of the Finance and Accounting Department. Ms. Hanks read the items on the supplemental claims docket individually and the Board discussed these items.

Supervisor Jessie Medlin asked that about the new bond rating on page 73. Chief Financial Officer Tom Arnold said it is the charge for the rating review for 2010 refunding bond.

Supervisor Medlin asked about the lower power bill expense for the Lewisburg Fire Department. Ms. Hanks explained it is because the power company reimbursed the county for a prior overcharge.

Supervisor Eugene Thach questioned the expense for American Tire on page 66. Mr. Arnold said this is for county tires on trailers and vehicles.

Supervisor Allen Latimer asked about the expense of \$79 for home improvement. Mr. Arnold said a company vehicle ran over a mail box. The county bought the supplies and county employees made the repairs.

In accordance with Section 19-13-31 and Section 19-11-23 of the Mississippi Code Annotated, Supervisor Eugene Thach made the motion and Supervisor Jessie Medlin seconded the motion to authorize the Chancery Clerk to pay the bills as presented by the Chief Financial Officer. The motion passed by a vote as follows:

Supervisor Jessie Medlin-----YES  
Supervisor Eugene C. Thach-----YES  
Supervisor Bill Russell-----YES  
Supervisor Allen Latimer-----YES  
Supervisor Tommy Lewis-----YES

**See Exhibit G.3**

### **4. Board Attorney**

#### **a. Continuing Disclosure Agreement**

Board Attorney Tony Nowak said every year a continuing disclosure agreement is filed for the County's various bonds. Butler Snow has been preparing the disclosure report for several years and is prepared to do so again for a fee not to exceed \$1,500. Mr. Nowak advised the Board that it is time to file the agreement.

Supervisor Jessie Medlin made the motion and Supervisor Bill Russell seconded the motion to authorize the Butler Snow Law firm to file the continuing disclosure agreement with legal fees not to exceed an amount of \$1,500. The motion passed by a vote as follows:

Supervisor Jessie Medlin-----YES  
Supervisor Eugene C. Thach-----YES  
Supervisor Bill Russell-----YES  
Supervisor Allen Latimer-----YES  
Supervisor Tommy Lewis-----YES

**b. Public and Open Records Policy**

Board Attorney Tony Nowak said prior to July, 2010, the statute provided fourteen days for public and open records. He said the law firm changed effective July 1, 2010 and now allows seven days to respond unless the County advises the requesting party that more time is needed in which event the County has an additional seven days. Per the County's policy and the policy needs to be amended.

Supervisor Bill Russell made the motion and Supervisor Jessie Medlin seconded the motion to authorize the Smith, Phillips, Mitchell, Scott and Nowak LLP to work with the County Administrator to draw up an amendment to the policy to comply with the statutory procedures. The motion passed by a vote as follows:

Supervisor Jessie Medlin-----YES  
Supervisor Eugene C. Thach-----YES  
Supervisor Bill Russell-----YES  
Supervisor Allen Latimer-----YES  
Supervisor Tommy Lewis-----YES

**5. Office of Procurement: Purchases Over \$25,000-Lewisburg Fire Dept.**

Purchase Clerk Vanessa Lynchard on November 15, 2010 the Board approved the purchase of a fire truck for the Lewisburg Fire Department. She said they added an option to purchase fire trucks on state contract in addition to bidding.

Vanessa said there is oversight from the State Fire Marshal's office to assure it meets the needs of the fire department. She said Bobby Storey has filed for the state fire truck money and Lewisburg Fire Department will pay the difference in the cost.

Supervisor Jessie Medlin confirmed that this is the same as before, but now it is just on state contract. Vanessa said yes.

Supervisor Allen Latimer asked if the county will pay any money. Vanessa said no. Supervisor Tommy Lewis asked Mr. Storey if he thought the truck is worth \$670,000. Mr. Storey said the trucks is a Class A combination with a front bumper. He said it meets all the qualifications and they are very costly. He said the truck is \$580,000 and the equipment is \$90,000.

Supervisor Jessie Medlin asked if the truck will fit in the building. Mr. Storey said yes.

Supervisor Bill Russell asked if there are any others in the county. Mr. Storey said yes. Eudora has one which was a demo.

Supervisor Medlin asked if Mr. Storey will be able to get more money toward the purchase. Mr. Storey said there is a rural grant for \$70,000 and a supplemental grant for \$50,000. The balance will be paid by the fire department.

Supervisor Tommy Lewis made the motion and Supervisor Bill Russell seconded the motion to approve the purchase of a rural fire truck in the amount of \$580,963 on state contract plus

equipment of \$90,000 for a total of \$970,963. The motion passed by a vote as follows:

Supervisor Jessie Medlin-----YES  
Supervisor Eugene C. Thach-----YES  
Supervisor Bill Russell-----YES  
Supervisor Allen Latimer-----YES  
Supervisor Tommy Lewis-----YES

**See Exhibit G.5**

## **6. Appointment to Lewisburg Fire Protection District**

Supervisor Tommy Lewis made the motion and Supervisor Jessie Medlin seconded the motion to appoint Barbara Treadway to fill the unexpired term of Jerry Rikard as Commissioner of the Lewisburg Fire Protection District. The motion passed by a vote as follows:

Supervisor Jessie Medlin-----YES  
Supervisor Eugene C. Thach-----YES  
Supervisor Bill Russell-----YES  
Supervisor Allen Latimer-----YES  
Supervisor Tommy Lewis-----YES

**See Exhibit G.6**

## **7. Siemens Performance Contract Addendum: Fire Security System in Jail**

County Administrator Michael Garriga said Siemens is before the Board to discuss an upgrade to the fire security system at the jail. He introduced Chris McNeil and Pet Hicks with Siemens. He said because of the money we saved on the interest on the project, we can afford the opportunity to upgrade the system as it is needed.

Mr. Hicks said the way the system is designed it needs to be replaced. He said there is a financial mechanism in place due to interest that will be saved.

Supervisor Jessie Medlin asked if there is a low bond interest rate.

Mr. Garriga explained the program over the life of the project. He said there must be a positive cash flow and projects show there will be a \$200,000 plus balance. Supervisor Medlin said he was concerned how the costs for interest went from \$300k to \$500k. Mr. McNeil said he left that in case the bond rating went down and the interest went up.

Mr. McNeil said this is conservative because 3.75% must be left for cash flow, so at least the interest would not throw it off.

Supervisor Allen Latimer asked if the county bond rating is still solid. Mr. Garriga said yes, there is a low debt ratio and there is cash on hand. There is still a AA rating.

Supervisor Bill Russell said he knows they need to do this but with the new jail project almost ready to begin, can this be done quickly.

Sheriff Bill Rasco said this must be done and they also need a new boiler, so it will take some time.

Supervisor Medlin said he needed to be convinced this is a competitive price.

Mr. McNeil said it should go pretty smoothly because there is already a local electric company on site and electrical engineer is on the job and already mobilized to start work. He said they cannot just take it offline. As they pull it in, the entire facility will be on one system.

Supervisor Latimer said, according to the letter, we do not have a choice because it is regulated

by the state. Mr. Garriga said that is somewhat the case. Supervisor Latimer thanked everyone for keeping the jail compliant.

Supervisor Russell asked if the time line can be assured. Mr. Garriga said yes.

Supervisor Tommy Lewis asked Mr. Garriga if Kenny Evans has looked at the contract. Mr. Garriga said yes. Mr. Evans was supposed to attend the Board meeting, but this item was heard earlier than anticipated.

Bobby Storey said since there have been problems with the system at the jail, his department has implemented a fire watch plan. He said they took steps with the state and the jail has never been in violation.

Mr. McNeil said the entire jail addition was never done properly.

Board Attorney Tony Nowak said the Board has to make certain findings to allow the amendment to the Siemens contract and believes the facts discussed support the necessary findings. He said contract amendments are allowed under the energy project statute and this would not be viewed under the normal purchasing statute. The energy project statute is designed to allow “maximizing flexibility” in contracts. He said the Board will have to voice their findings.

Supervisor Bill Russell made the motion and Supervisor Tommy Lewis seconded the motion to approve the addendum based on the findings as follows:

- 1.) The scope of work is within the original scope of work;
- 2.) It will further the overall project; and
- 3.) The costs are reasonable, and it will benefit the county to do the work now since the people are already on site and able to do the project.

The motion passed by a vote as follows:

Supervisor Jessie Medlin-----YES  
 Supervisor Eugene C. Thach-----YES  
 Supervisor Bill Russell-----YES  
 Supervisor Allen Latimer-----YES  
 Supervisor Tommy Lewis-----YES

**See Exhibit G.7**

**8. Group Health Plan – Plan Design and Contributions**

Director of Human Resources Janna Rogers and Human Resources Manager Vickie Richmann appeared before the Board of Supervisors to present proposals for changes to the employee health plan as follows:

	Plan Change March 1, 2011	Claims Dollars	Current Benefit
	<b>REQUIRED HEALTH CARE REFORM</b>		
	Add dependent coverage to age 26	\$ 54,911.00	Up to age 23 if full time student status
	Eliminate lifetime maximum	\$ 13,946.00	\$2M max
	Eliminate DME dollar caps	\$ 10,895.00	Limited to \$5,000
	<b>Total cost</b>	\$ 79,752.00	
	<b>MEDICAL PLAN RECOMMENDATIONS</b>		

1	RX 3 with higher copays (10-35-45)	\$ 96,312.00	Copays \$10-\$25-\$35
2	Increase deductible by \$100 and 3x (\$500 individual/\$1500 family) on in-network	\$ 60,577.00	\$400/\$800
3	Increase deductible on non-par (\$1500/\$4500)	\$ 30,506.00	\$800/\$1600. Out-of-network deductible should be 3x in network deductible.
4	Decrease coverage to 80% par/60% non-par	\$ 70,599.00	Currently 90% in-network, 75% out-of-network
5	Out-of-network office visits and urgent care apply to deductible/coinsurance. Copays will not apply to non-par benefits.	\$ 6,537.00	Copays apply to office visits, urgent care and well child
6	Well child preventive visits out-of-network not covered	\$ 4,358.00	Covered. Makes preventive coverages for both adult & child in-network only
7	Add provision prohibiting coverage for spouse if coverage is available to spouse through another source OR add a surcharge for spouses who select our plan over their own.	\$ -	Allowing spouses to select coverage in lieu of their own employer coverage is increasing expenses to the County. Some employees are making money by switching to our plan via incentives from the spouse's employer (\$1500 per year, etc.)
8	Eliminate out-of-network copay for chiropractic care. Out-of-network chiro applies to deductible/coinsurance	\$ -	Currently out-of-network deductible at 90% on chiro. Out-of-network should apply toward deductible with no co-pay.
	<b>Total Savings</b>	\$ 268,889.00	
	<b>DENTAL PLAN RECOMMENDATIONS</b>		
9	Add pre-diagnostic detection of abnormal cells once per year, age 40+ (Dental)	\$ 655.00	Not covered. Makes plan consistent with Humana design.
	<b>Total cost</b>	\$ 655.00	
	<b>CONTRIBUTION RECOMMENDATIONS</b>		
	(see attached)	\$ 103,452.00	
	<b>Net 2011 recommendation</b>	\$ 291,934.00	

Ms. Rogers explained that the county health plan will be renewed on March 1 with open enrollment in February. She said the federally mandated changes are included in the information presented.

Supervisor Bill Russell said he is concerned about the new federal mandate that covers children up to 26 years of age.

Ms. Rogers said there can no longer be a cap on medical coverage. The county limit of \$2 million lifetime has been eliminated as a requirement of the health care reform bill. Also, the \$5,000 DME dollar caps have been eliminated.

Ms. Rogers said that she has been working with Ms. Richmann and County Administrator Michael Garriga and with Humana to amend the plan and consider ways to offset the balance. Ms. Rogers said one option is to increase co-pays. The second option is to have the employee pay a portion of their insurance.

Mr. Garriga said we know it will be impossible to make up a \$1 million deficit in one year. He suggested making changes to the plan design in the coming year, but make incremental changes to the plan design and contribution now. The last increase in employee contributions was in 2002; there was even a decrease in contributions in 2007.

Ms. Rogers said they looked at ways to change the plan with the least impact on the employees. She discussed charging a monthly fee for spousal coverage when the spouse has coverage available elsewhere. The Supervisors discussed this option in great detail and agreed it is a definite option.

Mr. Garriga said they discussed many options at great lengths and at some point the employee will be asked to buy in on a small amount in terms of sharing the cost. He said the long term affect needs to be considered.

Supervisor Eugene Thach said he wants to be sure the county insurance is comparable to that of the cities and other agencies. Supervisor Thach said, in the past, our good benefits compensated for low salaries.

Supervisor Allen Latimer asked if benefits will now be taxed. Ms. Rogers said not at this time. With healthcare reform, the county will be requested to put the dollar amount of benefits on the W-2 form and ultimately individuals may be taxed on benefits. The final guidelines are still pending.

Supervisor Latimer said it is obvious that we have to do something. He said he did not want to take money from the employee for health care and then have them taxed too. He asked Ms. Rogers if she has received feedback from employees. Ms. Roger said not at this time. She said they get feedback throughout the year. The employees usually talk to Ms. Richmann about benefits and express concerns on out-of-pocket expenses.

Supervisor Bill Russell said he would like for employees to select from 2 plans: a basic plan at no cost and a "premium" plan at a cost.

Supervisor Tommy Lewis said he was thinking the same thing. He said with such a range of salaries, some may choose to take home more money or pay more for insurance.

Ms. Rogers said enrollment starts in a couple of weeks, so there will not be enough time to get another proposal together. She said she has talked to Mr. Garriga and they recommend soliciting bids for next year and getting aggressive and make changes for the 2012 plan design and enrollment.

Supervisor Jessie Medlin clarified the Pharmacy plan they are recommending is 3 tiers. The co-pays were \$25 or \$35. Now they are recommending raising the co-pays to \$35 and \$45. Also, the proposed plan has hospital stays at 80%/20% instead of 90%/10%. He said that is going to hurt a lot of employees.

Mr. Garriga said the days of 90%/10% are over. He said it is unheard of now due to the rising cost in health care.

Supervisor Russell asked what the new maximum will be for the deductible. Ms. Rogers said they will increase the employee deductible by \$100 for in network for a total of \$500. The family deductible will be \$1,500 for in network.

Rex Haynes of Southgroup said they have seen a lot of different levels with some employers. He said it takes time to implement and to educate the employees and it is certainly worth looking at for next year.

Mr. Garriga said, because the county insurance is self-funded, it can take a certain level of administration and oversight. It will be easy to find carriers and different levels of coverage.

Supervisor Russell asked if the county can legally offer different levels from different carriers

since it is a self funded program. He asked if the county can afford more plans other than a basic plan.

Supervisor Latimer said the school system has no option. He said another company can offer supplemental plans.

Supervisor Tommy Lewis said he would like to get feedback from employees. He said the bottom line is the county has to put more money into the fund.

Ms. Rogers said the county is at a critical point in the renewal process. She said Humana requires a minimum one month to process the renewal.

Ms. Richmann said they could set a different tier for employee contribution based on lower paid employees. She said it would take time and education and is something that could be looked at in 2012.

Supervisor Thach said he thinks everyone should pay the same.

The Board discussed the time constraints and the dwindling funds. They also discussed various other options to try and provide a healthy plan for the employee as well as maintaining a healthy fund balance.

Mr. Garriga said these recommended changes for next year will make a substantial climb to filling the gap with the employees.

Supervisor Thach said otherwise you have to ask the taxpayers to fill the gap.

Ms. Rogers said they need to make a decision today because the plan renewal starts on March 1

Supervisor Medlin asked about the surcharge for spouses. Ms. Rogers said there are employers who actually pay their employees up to \$1,500 a year to join their spouses plan and not their own employer plan. That is extremely costly to the county.

The Board discussed the fund balance in detail.

Supervisor Russell said if they adopt this plan the fund will still be \$700,000 short. Mr. Garriga said that is correct.

Supervisor Bill Russell made the motion and Supervisor Tommy Lewis seconded the motion to accept the recommendation from the Human Resources Dept. and County Administrator as follows:

- 1.) Add dependent coverage to age 26
- 2.) Eliminate lifetime maximum
- 3.) Eliminate DME dollar caps
- 4.) RX 3 with higher co-pays (10-35-45)
- 5.) Increase deductible by \$100 and 3x (\$500 individual/\$1500 family) on in-network
- 6.) Increase deductible on non-par (\$1500/\$4500)
- 7.) Decrease coverage to 80% par/60% non-par
- 8.) Out-of-network office visits and urgent care apply to deductible/coinsurance.
- 9.) Co-pays will not apply to non-par benefits.
- 10.) Well child preventive visits out-of-network not covered
- 11.) Add a surcharge of \$100 per month for spouses who select our plan over their own.
- 12.) Eliminate out-of-network co-pay for chiropractic care. Out-of-network chiropractic applies to deductible/coinsurance.
- 13.) Add pre-diagnostic detection of abnormal cells once per year, age 40+ (dental)
- 14.) Implement a 20% increase in employee contributions as follows:

EE + Children	\$199
EE + Spouse	\$222
EE + Family	\$246

The motion passed by a vote as follows:

Supervisor Jessie Medlin-----NO  
Supervisor Eugene C. Thach-----YES  
Supervisor Bill Russell-----YES  
Supervisor Allen Latimer-----YES  
Supervisor Tommy Lewis-----YES

See Exhibit G.8

**9. Travel Authorization: Blue Ribbon Trip – Washington D. C.**

Supervisor Allen Latimer made the motion and Supervisor Eugene Thach seconded the motion to approve Board of Supervisors, Board Attorney, County Administrator and others to travel to Washington, D.C. for the Blue Ribbon trip. The motion passed by a vote as follows:

Supervisor Jessie Medlin-----YES  
Supervisor Eugene C. Thach-----YES  
Supervisor Bill Russell-----YES  
Supervisor Allen Latimer-----YES  
Supervisor Tommy Lewis-----YES

**H. EXECUTIVE SESSION**

The executive session portion of these minutes is recorded under the portion of the minutes called "Executive Session".

**I. OTHER ISSUES**

**1. Change to Official DeSoto County Road Map and Register**

Road Manager Russell Dorris said this item was moved from the Consent Agenda to Open Session. He reminded the Board that Fairview Road West has been maintained by the county for 10 plus years. Mr. Dorris said the correct measurement for the road has not been reflected on the Official DeSoto County Road Map and Register.

Board Attorney Tony Nowak said the Board can make a finding regarding the incorrect measurement of this road and the county maintaining the road for 10 or more years.

Supervisor Jessie Medlin made the motion and Supervisor Eugene Thach seconded the motion to approve a change to the DeSoto County Map and Road Register based on the finding by the Board of the previous incorrect measurement of this road and the fact the county has been maintaining the road for 10 or more years, but through error it was not placed on the Road Map and Road Register, and to make the change as follows:

<u>Road</u>	<u>Location</u>	<u>Length</u>	<u>Width</u>
Fairview Road West	Red Bank Road-End	9338'	22'

The motion passed by a vote as follows:

Supervisor Jessie Medlin-----YES  
Supervisor Eugene C. Thach-----YES  
Supervisor Bill Russell-----YES  
Supervisor Allen Latimer-----YES  
Supervisor Tommy Lewis-----YES

See Exhibit I.1

**2. Homestead Exemption Deletion**

Chancery Clerk Sluggo Davis presented a homestead exemption to be deleted from the roll due to a typographical error.

Supervisor Jessie Medlin made the motion and Supervisor Tommy Lewis seconded the motion to approve the deletion of homestead exemption from the roll as follows:

Jerry C. McKissick and Bonnie J. McKissick  
1400 Oak Grove Rd, Hernando, MS 38632  
Parcel # 3086 1400 16.07

The motion passed by a vote as follows:

Supervisor Jessie Medlin-----YES  
Supervisor Eugene C. Thach-----YES  
Supervisor Bill Russell-----YES  
Supervisor Allen Latimer-----YES  
Supervisor Tommy Lewis-----YES

**See Exhibit I.2**

**3. Justice System Grant-2009**

Board Attorney Tony Nowak said the grant language was changed to comply with federal requirements. He said it is completed and he sent the notice to the Grants Administrator Joyce Herring and the MOU has been signed by the cities.

Supervisor Jessie Medlin made the motion and Supervisor Bill Russell seconded the motion to approve the Board President to sign the documents and for the Board Attorney to send the signed document to the Attorney General. The motion passed by a vote as follows:

Supervisor Jessie Medlin-----YES  
Supervisor Eugene C. Thach-----YES  
Supervisor Bill Russell-----YES  
Supervisor Allen Latimer-----YES  
Supervisor Tommy Lewis-----YES

**4. Redistricting in DeSoto County**

Supervisor Bill Russell made the motion and Supervisor Tommy Lewis seconded the motion to approve a resolution requesting local and private legislation to grant the County the authorization to extend the qualifying deadline for elections in DeSoto County and to authorize the Board President to sign the document, and to approve travel for the County Administrator and Board Attorney to the Department of Justice if necessary. The motion passed by a vote as follows:

Supervisor Jessie Medlin-----NO  
Supervisor Eugene C. Thach-----YES  
Supervisor Bill Russell-----YES  
Supervisor Allen Latimer-----YES  
Supervisor Tommy Lewis-----YES

**See Exhibit I.4**

**5. Office of Procurement: Solicit Bids for Access Road-DeSoto County Jail**

Supervisor Tommy Lewis made the motion and Supervisor Bill Russell seconded the motion to solicit for bids for the access road to the new DeSoto County Jail. The motion passed by a vote

as follows:

Supervisor Jessie Medlin-----NO  
Supervisor Eugene C. Thach-----YES  
Supervisor Bill Russell-----YES  
Supervisor Allen Latimer-----YES  
Supervisor Tommy Lewis-----YES

**6. Board of Supervisors-Travel to Jackson**

Supervisor Bill Russell made the motion and super Tommy Lewis seconded the motion to approval travel expenses for County Administrator Michael Garriga and Supervisors to travel to Jackson in regards to the redistricting issues in the DeSoto County. The motion passed by a vote as follows:

Supervisor Jessie Medlin-----NO  
Supervisor Eugene C. Thach-----NO  
Supervisor Bill Russell-----YES  
Supervisor Allen Latimer-----YES  
Supervisor Tommy Lewis-----YES

Supervisor Tommy Lewis made the motion and Supervisor Jessie Medlin seconded the motion to adjourn the meeting until February 7, 2011, at 9:00 a.m. The motion passed by a vote as follows:

Supervisor Jessie Medlin-----YES  
Supervisor Eugene C. Thach-----YES  
Supervisor Bill Russell-----YES  
Supervisor Allen Latimer-----YES  
Supervisor Tommy Lewis-----YES

THIS the 18th day of January, 2011, these minutes have been read and approved by the DeSoto County Board of Supervisors.

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Bill Russell, President  
DeSoto County Board of Supervisors