

**MINUTES OF THE REGULAR MEETING OF
OF THE MOORE CITY COUNCIL
THE MOORE PUBLIC WORKS AUTHORITY
AND THE MOORE RISK MANAGEMENT BOARD
OCTOBER 4, 2010 – 6:30 P.M.**

The City Council of the City of Moore met in the City Council Chambers, 301 North Broadway, Moore, Oklahoma on October 4, 2010 at 6:30 p.m. with Mayor Glenn Lewis presiding.

David Roberts
Councilman, Ward I

Robert Krows
Councilman, Ward I

Kathy McMillan
Councilwoman, Ward II

Janie Milum
Councilwoman, Ward II

Jason Blair
Councilman, Ward III

Terry Cavnar
Councilman, Ward III

PRESENT: Krows, Blair, McMillan, Cavnar, Milum, Lewis
ABSENT: Roberts

STAFF MEMBERS PRESENT: Assistant City Manager, Stan Drake; City Attorney, Randy Brink; City Clerk/Finance Director, Jim Corbett; Community Development Director, Elizabeth Jones; Economic Development Director, Deidre Ebrey; Emergency Management/Communications Director, Gayland Kitch; Manager of Information Technology, David Thompson; Network Technician, Mike Marti; Deputy Fire Chief, Gary Bird; Acting Parks & Recreation Director, Todd Jenson; Risk Manager, Gary Benefield; Police Chief, Ted Williams; Public Works Director, Richard Sandefur; Veolia Water Project Manager, Robert Pistole; and Purchasing Agent, Carol Folsom.

Agenda Item Number 2 being:

CONSENT DOCKET:

- A) APPROVE THE MINUTES OF THE REGULAR CITY COUNCIL MEETING HELD SEPTEMBER 20, 2010.
- B) RECEIVE THE MINUTES OF THE PARKS BOARD MEETINGS HELD JUNE 1, 2010, JULY 12, 2010, AND AUGUST 3, 2010.
- C) APPROVE CONVEYANCE OF AN EASEMENT LOCATED IN THE SW/4 OF SECTION 35, T10N, R3W TO THE OKLAHOMA NATURAL GAS COMPANY FOR NATURAL GAS SERVICES TO THE WASTEWATER TREATMENT PLANT.
- D) APPROVE AND RATIFY CLAIMS AND EXPENDITURES FOR FY 2010-2011 IN THE AMOUNT OF \$1,635,479.11.

Councilman Krows moved to approve the consent docket in its entirety, second by Councilman Blair. Motion carried unanimously.

Ayes: Krows, Blair, McMillan, Cavnar, Milum, Lewis
Nays: None
Absent: Roberts

Agenda Item Number 3 being:

RECEIVE A REPORT FROM SELECT ACTUARIAL SERVICES AND ACCEPT THE ANNUAL ACTUARIAL REPORT FOR FISCAL YEAR ENDED JUNE 30, 2010.

Gary Benefield, Risk Manager, introduced Sara Gundersen, a partner with Select Actuarial Services, who gave a short presentation on the results of the actuarial study for Fiscal Year 2009-2010.

Ms. Gundersen explained that the purpose of an actuarial study was to provide the City with an evaluation at fiscal year end of the retained liabilities associated with its health benefits, workers compensation, and automobile with general liability exposure in accordance with the Government Accounting Standards Board ("GASB") 10 requirements. Ms. Gundersen advised that the objectives of the study were:

1. To provide an analysis of required reserves as of June 30, 2010 to fund all outstanding losses. This is the amount of money necessary to pay all outstanding claims in the event the City were to stop operating.
2. To provide forecasts of expected losses and cash flows for current and budget fiscal years 2010-11 and 2011-12.
3. To estimate potential for actual experience to vary from expectations.

Required Reserves:

	As of 6/30/09	As of 6/30/10
Health Benefits	\$364,000	\$394,000
Workers Compensation	\$1,002,000	\$875,000
Liability	\$333,000	\$280,000
Other – Open Tort Claim	\$50,000	\$45,000
TOTAL	\$1,749,000	\$1,594,000

Ms. Gundersen noted that the total required reserves for the current fiscal year are less than last year's analysis.

The June 30, 2009 analysis projections for 2009-2010 came in as expected. Two claims exceeded the stop loss limit of \$75,000 for 2010, and three for 2009. One 2009 claim exceeded a special laser stop-loss retention of \$200,000. Ms. Gundersen stated that the 2008-2009 fiscal year ended 3% higher than anticipated.

Ms. Gundersen advised that the workers compensation experience for all years combined was less than expected. However, the 2010 accident period developed more than previous historical periods as of six months maturity due to increased frequency and severity. Since they only have six months of data it is difficult to determine the cause. The situation will need to be monitored to find out specifically what is causing the adverse development. She continued by stated that there were two losses, one in 2000 and one in 2003 that exceeded the self-insured retention during the past 12 months. Previous reports did not include any large losses. However, the positive experience of the other years outweighed the two large losses resulting in a 1% decrease or \$32,000 in ultimate losses.

The liability study was excellent showing an overall experience better than expected. Ultimate losses decreased by 5% or \$47,000 with no large losses.

Forecast results for Health Benefit Costs for FY 10-11:

	7/1/10-11 Prior	7/1/10-11	7/1/11-12
Monthly Eligible Employee ("EE") Count	255	260	265
Monthly Cost per EE	\$1,172	\$1,186	\$1,245
Additional Provisions	\$100,000	\$150,000	\$150,000
TOTAL FORECAST	\$3,682,000	\$3,851,000	\$4,111,000

Projected costs for 2010-2011 increased by 4.6% due to an increase in exposure and the inclusion of a \$75,000 provision for extended dependent care, which is a requirement of the Public Health Service Act. She stated that in the previous projection there was one new provision under the Mental Health Parity Act; however, due to data gained through experience the provision was decreased. The second provision being considered this year, which accounts for \$75,000 of the \$150,000, provided for additional provisions for the Public Health Service Act. She felt that the amount was conservative but they did not have any loss data to use for an estimate.

Forecast results for Workers Compensation Costs for FY 10-11:

	7/1/10-11 Prior	7/1/10-11	7/1/11-12
Annual Payroll	\$18,043	\$17,224	\$18,257
Cost/ \$1,000 payroll	\$24.12	\$22.63	\$22.91
TOTAL FORECAST	\$435,000	\$390,000	\$418,000

Ms. Gundersen advised that the 2010-2011 forecast decreased due to improved claims experience and lower annual payroll. The forecast for 2011-2012 projection was based on a 6% increase in payroll and a 1.2% loss costs trend.

Forecast results for Automobile and General Liability Costs for FY 10-11:

	7/1/10-11 Prior	7/1/10-11	7/1/11-12
Annual Payroll	\$18,043	\$17,224	\$18,257
Cost/ \$1,000 payroll	\$6.26	\$5.46	\$5.51
TOTAL FORECAST	\$113,000	\$94,000	\$101,000

Ms. Gundersen stated that the 2010-2011 forecast decreased as a result of a decrease in annual payroll and loss experience. The 2011-2012 projection was based on a 6% increase in payroll and a .9% loss costs trend.

Health makes up \$3.9 million and workers compensation \$390,000 and liability \$94,000. This is the costs anticipated to be incurred over the next fiscal year and paid out over the next several years.

Ms. Gundersen discussed the results of the Program Summary Chart:

Program	Reserves	Forecast	Forecast
----------------	-----------------	-----------------	-----------------

	@ June 30, 2010	for 7/1/10-11	for 7/1/11-12
Health	\$394,000	\$3,851,000	\$4,111,000
Workers Compensation	\$875,000	\$390,000	\$418,000
Liability	\$280,000	\$94,000	\$101,000
Other	\$45,000		
TOTAL	\$1,594,000	\$4,335,000	\$4,630,000

The required reserves necessary at June 30, 2010 in total was \$1,594,000. The forecast for 2010-2011 was \$4,335,000 and for June 2011-2012 is \$4,630,000.

Mayor Lewis asked how the City was doing. MS. Gundersen indicated that everything looked very good this year.

Councilman Krows asked what the terms Stop-Loss Retention and Stop-Loss Limit mean. Ms. Gundersen stated that for health benefits the stop-loss limit of \$75,000 is a limit of the City's responsibility for each claimant per calendar year. Councilman Krows asked if that meant each claim. She indicated that it is the amount of payment the City is able to make on that claimant each calendar year regardless of how many claims are filed. Councilman Krows asked what the stop-loss retention term meant. Ms. Gundersen stated that there is a \$75,000 stop-loss limit with an additional \$36,500 aggregate tacked on. The term "laser" mentioned on the same slide is referring to a specific case. If a claimant has special medical limits that would exceed \$75,000 in claims next year, a higher limit is attached if it is known in advance.

Councilman Krows moved to receive a report from Select Actuarial Services and accept the Annual Actuarial Report for fiscal year ended June 30, 2010, second by Councilwoman Milum. Motion carried unanimously.

Ayes: Krows, Blair, McMillan, Cavnar, Milum, Lewis
 Nays: None
 Absent: Roberts

Agenda Item Number 4 being:

CONSIDER ORDINANCE NO. 680(10) AMENDING PART 10, CHAPTER 4, ARTICLE B BY DELETING AND ADDING DEFINITIONS TO SECTION 10-422; BY AMENDING SECTION 10-423 TO CREATE SOUND LEVEL LIMITATIONS FOR TIME OF DAY AND LAND USE DISTRICTS; BY AMENDING SPECIFIC PROHIBITIONS IN SECTION 10-424; BY ADDING PROCEDURES FOR TAKING SOUND MEASUREMENTS IN SECTION 10-425; BY AMENDING SECTION 10-427 TO INCLUDE AN EXEMPTION FOR LAWN MAINTENANCE EQUIPMENT; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR A REPEALER.

Mayor Lewis requested a tabling motion for Agenda Item No. 4. He stated that a committee would be formed to review the current and proposed noise ordinances to make recommendations to the City Council.

Councilwoman McMillan moved to table Agenda Item No. 4, second by Councilman Blair. Motion carried unanimously.

Ayes: Krows, Blair, McMillan, Cavnar, Milum, Lewis
 Nays: None
 Absent: Roberts

Agenda Item Number 5 being:

CONSIDER AWARDED BID NO. 101-006 "PURCHASE OF ONE (1) BAUER MVT13H-E3 BREATHING AIR COMPRESSOR OR EQUIVALENT AND ONE (1) BAUER CFSII-25 CONTAINMENT FILL STATION OR EQUIVALENT TO TESCOP IN THE TOTAL AMOUNT OF \$28,175.

Deputy Chief Gary Bird indicated that the equipment to be purchased through the bid award is an air compressor that would be stored at the new Fire Station One. The containment fill station is where the air cylinders are placed to be re-pressurized.

Councilman Krows moved to award Bid No. 101-006 "Purchase of One (1) Bauer MVT13H-E3 Breathing Air Compressor or Equivalent and One (1) Bauer CFSII-25 Containment Fill Station or Equivalent to Tescorp in the total amount of \$28,175, second by Councilwoman McMillan. Motion carried unanimously.

Ayes: Krows, Blair, McMillan, Cavnar, Milum, Lewis
Nays: None
Absent: Roberts

Agenda Item Number 6 being:

CONSIDER APPROVAL OF A CONTRACT WITH INCODE DIVISION OF TYLER TECHNOLOGIES TO PROVIDE BUSINESS LICENSE ONLINE COMPONENT, AND ACCOUNTING RECEIVABLE ONLINE COMPONENT INCLUDING SETUP AND MAINTENANCE IN THE TOTAL AMOUNT OF \$2,050 PLUS MONTHLY SUPPORT AND TRANSACTION FEES.

Jim Corbett, Finance Director, stated that the proposed contract with INCODE would provide software for additional online services. Currently citizens can look up their utility account and pay their utility bills and municipal court citations online. The new software for business licenses and miscellaneous accounts receivable would allow license holders and retired health insurance participants to review their account and make payments online. Mr. Corbett noted that INCODE is offering a 50% discount on the new software.

Councilman Krows moved to approve a contract with INCODE Division of Tyler Technologies to provide business license online component, and accounting receivable online component including setup and maintenance in the total amount of \$2,050 plus monthly support and transaction fees, second by Councilman Blair. Motion carried unanimously.

Ayes: Krows, Blair, McMillan, Cavnar, Milum, Lewis
Nays: None
Absent: Roberts

THE CITY COUNCIL MEETING WAS RECESSED AND THE MOORE PUBLIC WORKS AUTHORITY MEETING WAS CONVENED AT 6:49 P.M.

Agenda Item Number 7 being:

CONSENT DOCKET:

- A) APPROVE THE MINUTES OF THE REGULAR MOORE PUBLIC WORKS AUTHORITY MEETING HELD SEPTEMBER 20, 2010.
- B) RATIFY ACTION OF THE CITY COUNCIL ON ACCEPTANCE OF THE ANNUAL ACTUARIAL REPORT FOR FISCAL YEAR ENDED JUNE 30, 2010.

- C) APPROVE AND RATIFY CLAIMS AND EXPENDITURES FOR FY 2010-2011 IN THE AMOUNT OF \$738,800.55.

Trustee Krows moved to approve the consent docket in its entirety, second by Trustee Milum. Motion carried unanimously.

Ayes: Krows, Blair, McMillan, Cavnar, Milum, Lewis
Nays: None
Absent: Roberts

Agenda Item Number 8 being:

CONSIDER APPROVAL OF AN AGREEMENT WITH SELECT ACTUARIAL SERVICES FOR PREPARATION OF THREE ANNUAL REPORTS (FY 10-11, FY 11-12, AND FY 12-13) IN THE AMOUNT OF \$8,500 EACH.

Gary Benefield, Risk Manager, stated that Select Actuarial Services did an outstanding job of evaluating and forecasting the City's losses over the past eleven years. Mr. Benefield advised that Select Actuarial offered to prepare the next three annual reports for \$8,500 each. He stated that by agreeing to contract for their services for the next three years the City can lock in the price at \$8,500.

Trustee McMillan moved to approve an agreement with Select Actuarial Services for preparation of three annual reports (FY 10-11, FY 11-12, and FY 12-13) in the amount of \$8,500 each, second by Trustee Milum. Motion carried unanimously.

Ayes: Krows, Blair, McMillan, Cavnar, Milum, Lewis
Nays: None
Absent: Roberts

THE MOORE PUBLIC WORKS AUTHORITY MEETING WAS RECESSED AND THE MOORE RISK MANAGEMENT MEETING WAS CONVENED AT 6:52 P.M.

Agenda Item Number 9 being:

CONSENT DOCKET:

- A) APPROVE THE MINUTES OF THE REGULAR MOORE RISK MANAGEMENT MEETING HELD SEPTEMBER 20, 2010.
B) APPROVE AND RATIFY CLAIMS AND EXPENDITURES FOR FY 2010-11 IN THE AMOUNT OF \$140,214.52.

Trustee Krows moved to approve the consent docket in its entirety, second by Trustee McMillan. Motion carried unanimously.

Ayes: Krows, Blair, McMillan, Cavnar, Milum, Lewis
Nays: None
Absent: Roberts

THE MOORE RISK MANAGEMENT MEETING WAS RECESSED AND THE CITY COUNCIL MEETING RECONVENED AT 6:53 P.M.

Agenda Item Number 10 being:

NEW BUSINESS:

A) CITIZENS' FORUM FOR ITEMS NOT ON THE AGENDA.

There were no citizens signed up to speak.

B) ITEMS FROM THE CITY COUNCIL/MPWA TRUSTEES.

There were no items from the City Council.

C) ITEMS FROM THE CITY/TRUST MANAGER.

Stan Drake, Assistant City Manager, advised the City Council of the following items:

- 12th Street was reopened late Friday afternoon to through traffic.
- The Retreat is scheduled for October 9, 2010 at 8:30 a.m. in the Springhill Suites Conference Room.

Agenda Item Number 11 being:

ADJOURNMENT

Councilman Cavnar moved to adjourn the City Council meeting, second by Councilwoman McMillan. Motion carried unanimously.

Ayes: Krows, Blair, McMillan, Cavnar, Milum, Lewis
Nays: None
Absent: Roberts

The City Council, Moore Public Works Authority, and the Moore Risk Management meetings were adjourned at 6:55 p.m.

TRANSCRIBED BY:

RHONDA BAXTER, Executive Assistant

RECORDED BY:

CAROL FOLSOM, Purchasing Agent

FOR:

JANIE MILUM, MPWA Secretary

These minutes passed and approved as noted this ____ day of _____, 2010.

ATTEST:

JIM CORBETT, City Clerk