

CITY OF SALISBURY
WORK SESSION
March 21, 2016

Public Officials Present

Council President John "Jack" R. Heath	Mayor Jacob R. Day
Vice President Laura Mitchell	Councilman Muir Boda
Councilman James Ireton, Jr.	Councilwoman April Jackson

In Attendance

City Clerk Kimberly R. Nichols, City Attorney Mark Tilghman, City Administrator Tom Stevenson, Assistant City Administrator Julia Glanz, Grants Specialist Theo Williams, Police Chief Barbara Duncan, Fire Chief Rick Hoppes, interested citizens and members of the press.

On March 21, 2016, Salisbury City Council convened in Work Session at 4:32 p.m. in Room #301 (Council Chambers) of the Government Office Building. The following is a synopsis of the topics discussed in the Work Session:

CareFirst HealthCheck presentation

CareFirst BlueCross BlueShield (CFBCBS) Account Executive Jean Sewell and Director of State Municipal Business Accounts Mary Penzik joined Council discuss the insurance policy.

Ms. Penzik reported on CFBCBS's recent changes in approaching healthcare. The primary care providers' (PCP) scopes of responsibility have expanded and PCPs now have technological and nurse assistance. This has helped PCPs manage their patients' care better and control costs. Since inception of the program, CareFirst has realized a 19% reduction in number of hospital admissions and 20% reduction in re-admissions, and 15% fewer days spend in the hospital.

Below is a summary of Ms. Sewell's discussion of the City of Salisbury's health care overview:

- The cost of all claims by the City is currently \$3.7 million, last year \$3.6 million and the prior year about \$3.3 million. The City's costs increased 3.6%, a very good percentage.
- Total Pharmacy (TP) is \$1.07 million, and out of the \$3.7 million in total costs, almost 1/3 was related to drugs (pharmacy). This comparison for the prior period shows a 14% increase, which is very low compared to other groups because pharmacy is providing life-sustaining drugs. For the first time, this year's TP outpaced Admissions.
- Total Medical decreased this past year by 1.4% from last year.
- Pharmacy is now about 30% of total healthcare costs.
- Last year saw an onslaught of specialty medication that came on the market.

Ms. Sewell reported the most recent Average Illness Burden Score (AIBS) was .79, with last year at .84. She contributed the City's successes to the City's work to promote health awareness,

the Wellness Newsletter, people being encouraged to exercise, diet and participate in the Wellness Programs. She stated the City's number is significantly lower than most all other municipalities. Mr. Ireton was concerned that the City continues to reduce the AIBS but the cost does not go down; they have leveled off, but he asked when they would be reduced. Ms. Sewell did not think they would be reduced. She reported 205 employees do not show as having a PCP and emphasized all should have one; however, emergency room use decreased by 24 visits resulting in \$17,000 savings, which she contributed directly to employee education.

Vice President Mitchell asked about bariatric surgery and Ms. Sewell stated the benefit requires the entire consortium to sign up (Mrs. Mitchell stated she had been informed otherwise). Ms. Sewell would look into the matter. Mrs. Mitchell discussed the standard language change around substance use disorders and asked about the network provider for mental health and substance use disorders to ensure City employees have a sufficient network. She requested a list of the providers listed on the website and when their last contract was signed, as most of them do not participate now in BCBS. She inquired about parity for mental health and substance use, how reimbursement rates for in-patient stay was handled, limitations on number of days, fail first on outpatient before being authorized for inpatient, etc. Ms. Sewell would report back.

Mr. Stevenson reported on the opportunities for employees to attend disease management/preventive classes during City hours. The City received \$560,000 rebate for savings last year and there will not be a healthcare rate increase this year.

The presentation was for Council's information only.

Authorizing the Mayor to Expend Emergency Solutions Grant (ESG)

Community Development Grants Specialist Theo Williams explained both the ESG and JAG are annual appropriations. The City receives an annual allocation of state and federal funds to help combat homelessness through the ESG program administered by the MD Department of Housing and Community Development. The allocation this year represents an 8% decrease from last year as a result of a slight decrease in our homeless numbers between FY13 and FY14.

Mr. Williams reported the funds are received on behalf of three homeless service agencies: Diakonia, Samaritan Ministries, and Village of Hope. The awarded \$121,102 was distributed as follows: Diakonia: \$71,885; Samaritan Ministries: \$25,555; Village of Hope: \$23,662.

Council reached unanimous consensus to advance the ESG to legislative agenda.

Funds and Accepting Funds from Dept. of Justice's Edward Byrne Memorial Justice Assistance Grant (JAG)

The Police Department applies for and receives annual grant funding from JAG used for SPD's various technological needs. This year \$27,871 was received, representing an 18% decrease in funding from the previous year, as a result of a drop in crime numbers. The Police Department will use the funds to purchase asset management software for their Procurement Division and

Quartermaster's Office, install large monitoring screens and camera controllers for the upgraded video recording system, and replace old, obsolete computers, accessories, and software.

Council reached unanimous consensus to advance the JAG to legislative agenda.

Council Authorizing Mayor's Grant Expenditures

Mr. Williams reported the grants approval process takes 2-3 months which forces the SPD to expend funds out of other accounts, sometimes causing accounting problems. Many grants, particularly Police Department grants, cannot afford to wait before expending funds and are forced to expend funds out of their internal accounts or past-year grant accounts. After the grant expenditure is authorized by council and the project account is created, those funds are transferred into the new account. The obstacle is the resolution authorizing the expenditure.

He proposed the following ways to speed up the process:

- Schedule C added to budget listing grants to be authorized during the year.
- The schedule will only serve as support as authorized by council when an award letter is received.
- When the award letter is received the grant account be set up with appropriations.
- For grants not on Schedule C, a resolution will be placed on the consent agenda.

Mayor Day suggested that Finance include metrics information on the grants. Mr. Williams said he and Mr. Cordrey had discussed creating a *Financial Health of the Grant Fund* report.

Council reached consensus to the process recommended by Mr. Williams.

Fire Station #2 Utilities Easement

Fire Chief Rick Hoppes reported the Fire Department was working with Delmarva Power to bury the electric service feed into the new Station #2 project, and the request was for a new easement for the combined parcels where the new fire station is being built. Delmarva Power prepared the agreement, which allows them to install and maintain the electric equipment to be buried underground and run through the property.

Council reached unanimous consensus to advance the ordinance to legislative agenda.

Mayor's Council in Support of People with Disabilities Name Change and Revolving Loan Bankers' Review Committee Name Change

City Administrator Tom Stevenson reported on the renaming of the *Mayor's Council in Support of People with Disabilities* to the *Disability Advisory Committee*.

Mr. Stevenson also reported on the renaming of the *Revolving Loan Bankers' Review Committee* to the *Revolving Loan Bankers' Review Advisory Committee*.

Council reached unanimous consensus to rename the *Mayor's Council in Support of People with Disabilities* to the *Disability Advisory Committee*, but felt that the *Revolving Loan Bankers' Review Advisory Committee* was too lengthy, and suggested the name be the *Revolving Loan Advisory Committee*. Mayor Day agreed to the recommendation.

CAFO (Confined Animal Feeding Operation)

Mr. Heath stated that last month the County Executive reported to the Planning Commission that he was collecting data concerning CAFOs, so there are no recommendations from the Planning Commission. City Council heard from the public twice on the matter, but he wished to wait until after the 3/22/16 Planning Commission meeting to see their results.

Mr. Ireton stated if Council agrees to write the letter to the County, as requested by the man at the City Council meeting, it should be clear that the City Council has heard the concerns and requests the County to answer them. He stated he did not have a position on the matter but if the man is going to continue asking Council to do something, they must address his questions.

Mr. Boda understands the residents' concerns about air quality and wanted to ensure they receive answers. He questioned the effect CAFOs had on any future growth plans the City had.

Ms. Jackson thought the Council should do what is best for the City, as she has also heard concerns from residents about contaminated waterways and air quality.

Mrs. Mitchell has heard from many residents and discussed the future growth of the Rt. 50 /Naylor Mill projects and future costs to the City should the Paleo become contaminated. Her primary concern was water quality because if contaminated, the costs for treatment will rise.

Mr. Heath had concerns about this type of facility in a designated growth area. Data, procedures and policies must be considered. He would draft a letter with Mayor Day.

Council reached unanimous consensus to proof the letter once drafted by Messrs. Heath and Day.

Motion to convene in Closed Session

At 6:12 p.m., Mr. Boda moved, Ms. Jackson seconded, and the vote was unanimous (5-0) to convene in Closed Session in accordance with the Annotated Code of Maryland 10-508(a)(14).

Reconvene in Open Session

Upon a motion and seconded by Mrs. Mitchell and Mr. Boda, respectively, and by unanimous vote in favor, (4-0 vote, as Mr. Ireton departed the Closed Session at 6:33 p.m.) the Closed Session was adjourned and Council reconvened in Open Session at 7:11 p.m.

Mr. Heath reported to the Public that Council had met in Closed Session to discuss the development of Lots 1 & 11.

Council discussion

Mayor Day reported on a project for consideration requiring a budget amendment and necessitating very quick action concerning a partnership with Wicomico County to combat opioid use in the community. The City would collaborate with the State's Attorney's Office, Health Department, and Wicomico County to work towards finding help and solutions.

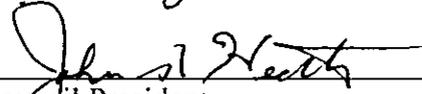
Mr. Boda discussed the manufacturing and distribution on heroin in Sussex County. Ms. Jackson said educational programs are needed for children because very young people are using heroin, and a long-term treatment center is needed in Salisbury. The Hudson Center is a detox center and only treats patients for fourteen days.

Council reached unanimous consensus to advance a budget amendment to form the task force.

With no further business to discuss, the Work Session was adjourned at 7:19 p.m.



City Clerk



Council President