

**FINANCE COMMITTEE MEETING  
JANUARY 30, 2012  
5:15 P.M.**

**MEMBERS PRESENT**

Chair Keith Ashby  
Jon Baxter  
Tim Dudley  
Jay Dunn  
Kevin Greenfield  
Linda Little  
Mark Wicklund

**COUNTY PERSONNEL PRESENT**

Jack Ahola, State's Attorney  
Ed Yoder, Treasurer  
Daysa Miller, SOFA  
Julie Aubert, Health Department  
Sheree Zalanka, Health Department  
Amy Stockwell, Auditor  
Lt. Belcher, Sheriff's Office  
Alan Engdale, Court Security  
Rodney Forbes, Public Defender  
Lori Long, Probation  
Linda Koger, County Board Office

**CALL TO ORDER**

Meeting was called to order by Chair Ashby at the Macon County Office Building.

**APPROVAL OF MINUTES**

Motion to approve minutes of prior meeting made by Mark Wicklund, seconded by Jay Dunn, and motion carried 7-0.

**CLAIMS**

Motion to approve the claims made by Tim Dudley, seconded by Mark Wicklund, and motion carried 7-0.

**REPORTS**

***Audit Sub-Committee***

Linda Little reported they met with the outside auditors, they have begun the field work, they said it is going well, and they are getting good cooperation from the officeholders which she appreciated hearing.

***Auditor***

Amy Stockwell said Louis Kosiba, Executive Director of IMRF, was not able to attend the last board meeting because of illness, but has accepted her re-invitation for a presentation this month. The IL General Assembly having finished their own work has gone on to work on things for us; Public Law 97-609 requires us to post salaries over \$75,000, they have that finished ready to go on the web, 47 individuals are involved, with benefits it goes as low a salary as \$56,000, and they will update it annually. The law also specifies salary increases of 6% or more create future additional IMRF liabilities, they gave a worksheet to work through that, and a copy of a letter she sent to all officeholders was distributed advising them of this; she will report to you on all raises they process over 6%, there was one in January, but she doesn't believe it will give rise to additional IMRF liability because one of the exclusions applies since it is an individual who appears to be far from retirement. Also, they are working with the auditors.

Chair Ashby asked for an explanation of the 6% or more, what our liability may be if we exceed the 6%, and how far back does that go. Amy replied it starts 1-1-12, it is not retroactive but a future liability, and there is an involved spreadsheet IMRF has given her that she needs to work through if the exclusions don't apply; since she doesn't have a case yet to see the potential impact, she hasn't worked the numbers. It will be payable when the person retires but accrual accounting would demand we book it when we know it or it is reasonably certain. Chair Ashby asked if it goes back to the four highest years in salary or just any 6% increase. Amy replied there are changes in the law that affect the last four years of earnings, that is another part of this law, this is in addition, this is another hurdle, and it is separate from the 125; 125 there were also some changes, this is a new provision, and both of these are new provisions in the pension law. She sent the letter distributed tonight to officeholders, attached IMRF General Memo since it also affects exception to IMRF participation requirements, changes on retirements under ERI, suspend pension of retired member who performs services on a contractual basis with a former IMRF employer, there are a number of changes, and she attached the whole summary that IMRF prepared for the officeholders. Chair Ashby asked if there is an exception if someone has a change in job description. Amy replied two exceptions; first is if they are more than 10 years from retirement, and second is if there has been a significant change in job description. Chair Ashby asks because one of our employees went from \$60,000 a year to \$80,000 a year in one year, he assumes that is a change in job description, and if this happens again where we exceed the 6% there has to be some explanation. Amy replied to remember this takes effect, this is everything that happens after 1-1-12, and if she is asked to process a payroll increase 7% or whatever that she would then go to the officeholder asking for an old and new job description before she could certify to IMRF that the exemption applied. Chair Ashby asked for a monthly report to the Finance Committee of all raises to non-union employees since it should be part of the budgeting process that we are aware of raises and explanations, and Amy replied she can do that.

*Resolution Approving Application of the DPBC Rent Surplus & Reduction in Levy for DPBC Fund*

Copies of resolution were distributed and Amy included a copy of the letter from the Building Commission. A one page chart was also distributed to see how this has evolved over time, both last year and this year the surplus was slightly below its peak which was \$778,000 and now it is \$662,000, and this is because the Building Commission made a financially prudent decision to pay for the HVAC replacement project in the LEC with cash and their reserves rather than needing to borrow it. We are happy to see that is how they are approaching this project and understand the surplus is less than the maximum. Motion to approve resolution made by Linda Little, seconded by Tim Dudley, and motion carried 7-0.

***Board of Review***

Daysa Miller distributed copies of the last 9 years of appeals to the BOR and the percentages of the total parcel count. The BOR is complete with their work except for signing off on the final abstract which they will do in February. Tim Dudley asked about the complaints from businesses around town. Daysa replied they have been resolved at the local level, some received reductions in assessments from what they had them on the tax rolls for at the SA levels, and others were no changes; now they receive a final notice, they have 30 days in which to appeal those assessments to the Property Tax Appeal Board, so we would know when we receive that information from the PTAB who has filed and who hasn't and what we have to do.

There were some reductions in assessments for the Hickory Point Mall and the other large one, Tate & Lyle, so they made some reductions from the assessments placed on those properties. Kevin Greenfield questioned the final bill prepared for Decatur Township. Daysa said that has already been submitted, committee received a copy of it when they did it, and they have paid it. In response to a question from Amy Stockwell, Daysa said there were appraisals submitted by the appellants on both parcels, appraisals are that person's opinion of value, so in order to defend the BOR decision on how they arrived at their change in assessment is not necessarily based on that appraisal but if this follows through and goes to the PTAB, then they would probably need to get more evidence of what they feel the market value of the property is. Using Tate & Lyle as an example, Daysa said they wanted 8 million, the BOR final assessment placed them on market value of about 14 million, so if Tate & Lyle files on their 8 million then the BOR would have to come back with an appraisal to reflect that 14 million; the 14 million decision was based on information that was received from other entities that have wet milling in their operations locally, and they use some of the information given to them on that to come up with their decision; Tate & Lyle had an appraisal that was for 2011.

Chair Ashby asked about the budgeted amount if they have to go out and get a commercial appraisal. Daysa replied about \$10,000 in the BOR line item, that is used for some of the other like MLS so around \$9000 is in there to use for appeals, and they try to involve taxing districts to see if they won't participate in the cost of appraisals. Board Chair Dunn would like this committee as oversight for BOR to look at the next budget process putting more money in there than \$10,000 since over the years there has been a reluctance to get appraisals; wanting to see what would happen if he talked to some of the taxing districts about getting appraisals for the mall, they actually got an appraisal that went back about three years, he didn't know you could get an appraisal to do that, they had a couple there in PTAB on two or three years, so he talked to Richland, Sanitary District, the township, the village, and school district and they at first were all interested in participating in paying their fair share which he thinks we should do anytime we do an appraisal is try to include the major taxing bodies, but he doesn't know if they've been asked before; he doesn't think we've gotten many appraisals over the years but a lot of it is on the reluctance of the BOR maybe because of what is in their budget; occasionally we need to get an appraisal since it would not let all the entities just think we are going to cut a deal when they come with their own appraisal, and it would help us to see if our Supervisor of Assessments is in the right area of appraising the properties which some are difficult to do since there is not like anybody locally who could do them; we should put some money in there so they don't feel like they can't do it or shouldn't do it because of their budget. Chair Ashby agreed, commercial appraisals are expensive, and there is only one person in Macon County that is qualified to do commercial appraisals; we are looking at 3 – 6 months out on commercial appraisals, so during the budget process we might suggest an amount of money to put in that line item.

### ***Supervisor of Assessments***

Daysa Miller reported they received their tentative multiplier from the state based on the assessments that the SOFA placed on properties, and it is a 1 tentative multiplier which means we will not receive a state multiplier unless the changes by the BOR would show that is indicated; the BOR has reduced assessments about 11 million dollars from what they had at the SA level, but normally that doesn't mean that we will receive anything but the 1 multiplier.

Board Chair Dunn put out a spreadsheet earlier based on 8, 9 & 10 as far as real estate property and commercial property and farm property going into the BOR, the total values, and then the values coming out so he plans on updating that and getting it to the Finance Committee; he is also trying to get this for those years for PTAB, at least the ones they have resolved since they still have outstanding ones, we need to look at how much money is going in the BOR, what comes out, what goes into the PTAB, and what comes out. He doesn't know if we have the total numbers yet, approximately 23,000 out of these parcels either went down or stayed the same, some people thought all 26,000 parcels had an increase in their assessment, but the vast majority went down or stayed the same.

### ***Treasurer***

#### ***Resolution to Execute Deeds To Convey Property for Delinquent Taxes***

Ed Yoder distributed copies of resolution and asked for approval. Motion to approve made by Tim Dudley, seconded by Mark Wicklund, and motion carried 7-0.

Ed Yoder distributed a Treasurer Fund report on Busey Bank; Busey has been charging fees, as of December 1 you can see how much we were making, he just chose June, the balances are fairly close to what they were in December not quite, Busey just started this 12-1-11, and you can see at the top where they were charging fees, were paying very little interest, we gained about \$83, \$84 and this month which he only has one month to go on we're \$959 so they have increased their interest rate on the treasurer side beside taking fees off so that is a net gain for the county. He mailed out mobile home delinquent notices January 6, we had 393 delinquent notices, last year we had 444, when they do come in and pay there will be a \$100 penalty plus their bill, most mobile home bills runs from \$25 to \$45, the cut off is February 6, he will start filing liens, usually he waits two weeks since he still has people come in, but as of today they only had 26 pay so far.

On the Busey report, Chair Ashby said there is a 4 million dollar difference in federal aid matching, and asked for an explanation. Ed Yoder just picked out June, just the one month, and didn't do an average of all the months because during that timeframe that is what we had federal matching aid and we get grants and that type of stuff coming in during the month, and right now we are quite a bit more than the June report, but also at some point he will be paying that money out to different entities in the county too. Chair Ashby asked if that account fluctuates depending on what grants we receive and what is paid out, and Ed replied yes.

### ***Health Department***

Julie Aubert distributed copies of 5 resolutions for approval

#### ***Resolution Approving Increase in Appropriations in FY12 Budget For American Heart Association***

Julie said this is a new program, and they have entered into an agreement with them to provide stroke prevention programs. Motion to approve made by Tim Dudley, seconded by Jay Dunn, and motion carried 7-0.

#### ***Resolution Approving Increase in Appropriations in FY12 Budget for Grant Timing Oral Cancer Grant***

Julie said they basically extended the grant where we could expense money against the grant. Motion to approve made by Tim Dudley, seconded by Linda Little, and motion carried 7-0.

*Resolution Approving Increase in Appropriations in FY12 Budget for Mental Health Partnership*

Julie said they are basically a pass through, it is specific to mental health services for their Healthy Families IL program, and the clients they serve. Motion to approve made by Mark Wicklund, seconded by Tim Dudley, and motion carried 7-0.

*Resolution Approving Increase in Appropriations in FY12 Budget for Aging & Disability Resource Center*

Motion to approve made by Mark Wicklund, seconded by Tim Dudley, and motion carried 7-0.

*Resolution Approving Increase in Appropriations in FY12 Budget for Women, Infants, & Children*

Julie said they are basically just transferring revenue generated in WIC which they had been allocating in Health Fund, and now it is going to be shown in the WIC fund. Motion to approve made by Linda Little, seconded by Mark Wicklund, and motion carried 7-0.

***Sheriff***

*Resolution Approving Command Officers Association Contract*

Chair Ashby reported the sheriff has pulled this resolution.

**OLD BUSINESS**

Jon Baxter passed out the sign up sheet for the law library for December – present. Chair Ashby asked if he has enough data that it is really not necessary to make copies for everyone. Jon commented he is doing it for information for everybody, and we have done it for 4- 5 months now. Chair Ashby asked if they are reflective of what happens. Jon replied yes, it is probably an understatement since some people come in and don't sign in, and he would still like to get people to go to Judge Coryell's court Monday mornings or Thursday afternoons to see the pro se sessions; at the last Justice meeting, Judge Webber is going to create this library committee including him, Judge Coryell, President of Bar Association, himself, and Sundi Barrett as ex officio. Chair Ashby asked that he get someone to summarize the report into one sheet from now on so we won't have to cut down so many trees. Jon asked if Chair Ashby wants any more reports to continue our investigation. Chair Ashby thinks we have enough data from four months to reflect what we do, we have enough data to make the conclusions we want to make, and he is just trying to save a few trees with a one page summary report.

**NEW BUSINESS**

Jack Ahola distributed copies of the Macon County Criminal Justice Strategic Priorities from the Justice Council, there is one typo on page 3 since they have 6 priorities and not 5, and you are not required to do anything other than review it and give any suggestions. The Macon County Justice Council came up with this after several years of work, they submitted it to the Justice Committee as oversight so they have copies, and they will be asking for a vote from the Justice Committee next month. If Finance Committee has any suggestions or ideas, feel free to contact Jack Ahola or any other members of the Justice Committee or Justice Council. This was put together with the help of Court Services and the other entities on page 2.

Chair Ashby referenced a spreadsheet on some employee raises, some are in excess of 35% for a four year period of time, we don't need to micromanage officeholders, but we do need some justification on the raises being given which is why he asked Amy to submit raises to us. Since this Finance Committee does the budget, it is important that we hold the line on the budget. He asked Amy if she had raises come in from last month or this month. Amy replied we had raises during January. Chair Ashby asked how those affect the budget. Amy replied she is still trying to project that, is a little concerned because last year was kind of tight, she hasn't done those numbers yet, and she doesn't know any planned retirements or anything that might be upcoming. Chair Ashby feels we need to be more transparent in these raises, he is not saying they are not justified, but when we ask union laborers to hold their increase to 2.5% or 3% and yet we are giving some non-union people 30%, 35%, or even 60%, even 33% in one year, we need to be able to justify these because personally if union employees say I only got 2.5% and so and so got 33%, I need to be able to tell them the reason why they got the 33% or somehow justify it. Kevin Greenfield asked who got the big raises. Chair Ashby replied it is in front of you, committee said they did not have it, and Chair Ashby distributed copies; he is not saying these raises are not justified, but we need to justify them to county employees that just receive a 2.5% to 3% raise. It is something the Finance Committee doing the budgets next year needs to have some understanding of where we are going to go, giving these raises in the middle of the year is going to influence the budget, and as Amy says she doesn't really know how they influence the budget; maybe the officeholder moves funds from some place else, it is not our responsibility to micromanage the officeholders, but it is our responsibility to see the county stays within budget.

Since everybody on this committee is on another committee as well, Linda Little feels a large part of that responsibility lies with the oversight committees because it comes to the budget committee after the oversight committee has approved it. She thinks a lot of times oversight committees don't really question it, don't get good explanations, and she encouraged everyone here if on another committee to take that responsibility this next time around.

Jon Baxter said he was told as the Public Defender if you have an employee who quits and you hire another employee at a lesser amount, he always spread the surplus to the other members of your office, and there was never a problem with that. He asked Bob Sampson and Jim Gresham, and they said as long as it is your money you can do it as you want. Chair Ashby commented it is not our purpose to micromanage but by the same token just because somebody retires and quits that you don't replace, it doesn't mean you have to give that money out to other employees; as far as he is concerned, the other employees should receive raises on merit, not because the money is there. Jon commented again that is what he was told when he was Public Defender. Chair Ashby said it is something we need to discuss as we go forward in the budget period. Kevin Greenfield commented it looks like all these fell under Jon's committee, and Jon replied it looks that way. Chair Ashby said we have a difference of opinion, if the money is there what Jon is saying if somebody retires is pass out the money, and he is saying pass out the money if the employees merit a raise. Jon Baxter replied you are then micromanaging. Chair Ashby does not want to micromanage but if that is what the officeholders do, it is their prerogative, but if he was an officeholder and just because he had an extra \$100,000 doesn't mean he has to give it out to the other employees.

Jon Baxter replied that is true but it is good management to do so, give to the other employees, and a lot of these employees don't make very much; a lot of times if you do get a raise, it is eaten up by health costs and if you have good morale, you get good productivity; as long as you haven't exceeded the amount of your budget, you should be able to. Chair Ashby commented our only control of the officeholders is the budget process, he disagrees with Jon that just because we have extra money we should give it to employees, we should give it to the employees if the employees deserve it, or the circumstances where we have supervisors in this county making less than their employees since that bothers him too; we need to address the issue of what we do with money in excess of the budget, and just because it is there doesn't mean we have to spend it. Jon Baxter said he is relying on what he was told by Bob Sampson. Chair Ashby said he may have a different opinion, they may have a different opinion than he does about what we do with the money, and he comes from a different world; just because he doesn't spend \$100,000 doesn't mean he has to spend that money for the end of the budget year, but it means he can turn that money back in and save the taxpayers money.

**NEXT MEETING**

February 27, 2012

**ADJOURNMENT**

Motion to adjourn made by Mark Wicklund, seconded by Linda Little, motion carried 7-0, and meeting adjourned at 5:50 p.m.

Minutes submitted by Linda Koger  
Macon County Board Office