

**FINANCE COMMITTEE MEETING
JULY 2, 2012
5:15 P.M.**

MEMBERS PRESENT

Chair Keith Ashby
Tim Dudley
Jay Dunn
Kevin Greenfield
Linda Little
Mark Wicklund
Susanna Zimmerman

COUNTY PERSONNEL PRESENT

Ed Leonard, BOR
Josh Tanner, GIS
Daysa Miller, SOFA
Robyn McCoy, WIS
Amy Stockwell, Auditor
Rodney Forbes, Public Defender
Lori Norfleet, Probation
Joe McGlaughlin, County Board
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 the prior meeting minutes as presented made by Linda Little, seconded by Mark Wicklund, and motion carried 7-0.

CLAIMS

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

REPORTS

Audit Sub-Committee

Linda Little reported they met with the outside auditor, it has been completed, there were some suggestions made for some of the offices, but no drastic findings or immediate concerns. They also discussed putting a policy in place for grants before they come to the board but that was just discussed, and it will be brought to this committee probably next month. Chair Ashby commented we are also going to send out a letter to the officeholders correcting violations, and Linda Little said yes.

Auditor

Amy Stockwell distributed copies of an excerpt from IMRF's comprehensive financial statement which is available on their website. They also as we do get a certificate of achievement from GFOA so there is a lot of statistical data in the back, and she discussed various pages; first page makes the point that the vast majority of the payments to retirees comes out of investment earnings, we are trying to recover from a bad year this year, and IMRF uses a five year actuarial evaluation to set rates. Next pages show total participants and total dollars of participation, and there are 175,000 active members now. The last two pages show the age distribution of retirees and active members, and what is paid out to retirees with the vast majority of retirees getting \$2000 a month or less.

Board of Review

Ed Leonard asked Jay Dunn what he wanted to do about pending appraisals. Jay Dunn said they have a couple appraisals they are looking at which the BOR doesn't have the money in their budget but the County Board does; he asked Ed to put more money in there, it might get amended to put more in and take some out of the County Board since when he came up with that \$75,000 it was just a number, but he wouldn't mind seeing some of that come back out going over to BOR since they need money in their budget to make these decisions on appraisals. The County Board also has to have some money there in case the BOR doesn't get appraisals and we do; right now we need to look at an appraisal for the hotel and conference center and Tate & Lyle which he will discuss later. With the hotel and conference center, we do now have the income and expenses from them, but they are not wanting to give that out except to an appraiser. Chair Ashby asked if we have money in the budget for the appraisal and if expense will be incurred this fiscal year, and Jay Dunn replied not out of the BOR and yes this fiscal year. Chair Ashby said we would have to have a resolution to amend the budget, and Jay Dunn replied that or use it out of the County Board budget. Ed Leonard said appraisal price is anticipated by him and Daysa in the \$4000 range for that without any hearings when we get the PTAB since both cases are going to be PTAB, but Tate & Lyle preliminary estimate is \$16,000 from a wet miller lined up in NE who has looked over our evidence file, PTAB that they presented on their appraisal, he is the appropriate one to appraise this in the right manner, and he is ready to go with an okay from us; there could be more expense with travel so they estimated \$20,000 - \$25,000; we have obligated ourselves for \$4000 for the review he has done this far, and now we need him to do the appraisal.

Jay Dunn said Ed is just wanting to know if it is okay with Finance and he will take to the board to go ahead and get the appraisal for hotel & conference center, let the county board budget pay it, and the Tate & Lyle. Chair Ashby asked committee if anyone had an objection to this. Linda Little asked if this is something BOR has to pay for or will other taxing bodies get involved. Jay Dunn said other taxing bodies can get involved, he has done that on Tate & Lyle, and will do it for the hotel and conference center; for Tate & Lyle he has everyone agreeing except for the City of Decatur since they feel in their letter that is our responsibility which he doesn't agree with since why would the statutes allow all entities to be involved in it and statutes require us to send all taxing bodies a letter anytime the tax assessment changes over \$100,000; agreeing were Mosquito Abatement, Park District, RCC, Conservation District, Decatur Township, School Board, Health Board, Mental Health Board, County; he understands the process that it is all entities fiduciary responsibility to taxpayers to make sure property is properly assessed to be fair to them and if they think it is out of line then they should be part of the process; Tate & Lyle was on the books for 21 million +, BOR lowered it to 14.5 which he doesn't necessarily agree with, and Tate & Lyle brought in an appraisal for 8.6 so if we don't have an appraisal to stand up at PTAB, they just go with the facts presented; he has had several review the Tate & Lyle appraisal and nobody who read it feels the appraiser they hired had much experience if any in wet milling, and the one we plan to hire has done several wet milling projects including some of Tate & Lyle's competitors; to drop from 21 million to 8.6 if we don't question that, we are doing taxpayers a disservice.

Ed Leonard said with what he has spent out of their \$5000 budget, they are down to \$1700 which was their share of the PPG appraisal which has been done, and they participated along with the Mt. Zion School District since it was also a PTAB.

Chair Ashby asked specifically what they are asking for. Ed is asking to allow them to call the wet milling appraiser in NE to go to work. Jay Dunn added to go ahead with the hotel & conference center appraisal and the Tate & Lyle appraisal, and take it out of the County Board budget since he said he would bring it back to Finance and the County Board for approval first but the money has already been appropriated.

Motion made by Mark Wicklund to move \$15,000 from the County Board budget to the BOR to go ahead and start from the County Board budget to start with the appraisal. Amy Stockwell commented no since it should just be paid from that line, and Chair Ashby agreed. Mark Wicklund understands BOR already has \$10,000; Ed Leonard replied no, as he mentioned earlier they have \$1700 left in the current budget, and in the new FY13 budget he put in \$10,000 which isn't part of this issue. Mark Wicklund recommended they proceed with appraisals. Linda Little said her motion would be to proceed with these two appraisals to be paid out of the line that was put into the County Board budget. Tim Dudley questioned the procedure on the hotel, did they file an appeal, and the last he knew they wouldn't get an appraisal. Ed Leonard replied that is at PTAB, he hired Mr. Fitzgarrald to do an appraisal, and when he came to the BOR he had a Fitzgarrald appraisal of the conference center structure; they don't agree with it but it is not as far off as this Tate & Lyle thing, they are just at the first stage of that, and by the way of attorneys Randy Waks and Tom Moss and Mr. Horve the information has been provided that can go to Mr. Salisbury who will give us a preliminary estimate of what we can expect and the cost. Chair Ashby entertained a second on the motion, and seconded by Mark Wicklund. Regarding Salisbury & Associates, with the appraisal supplied by Fitzjarrald, Daysa Miller added it didn't have the income information in it, and that was the big issue about getting an appraisal for the BOR as the income would be in that appraisal to give them a better idea of the value of the property. Ed Leonard said they also sought another appraisal company in the suburbs along with Mr. Salisbury, and they both told them the same thing that to do a proper appraisal, we needed to have the income and expense side of it which wasn't in the Fitzjarrald appraisals; the North Group was not interested in proceeding until we came up with it, Mr. Salisbury told them the same thing, and appellant has agreed to provide the information. Motion carried 7-0. Ed Leonard ask if this means he can tell Daysa to call and pull the trigger on NE, great.

Treasurer

Chair Ashby said Mr. Yoder spent 22 hours on a train stopped on his way back from vacation; also 57,340 tax bills were sent out, we're set to collect \$137,610,000, collected about 53% of that so far, and installments to tax districts will be sent out tomorrow.

Workforce Investment

Resolution Approving FY12 Budget Amendment – Rapid Response Grant

Robyn McCoy distributed copies of resolution, this year's budget amount will be \$280,500, but actual grant amount since different fiscal year is \$561,000. It will serve laid off employees from StarTek, ADM, and Caterpillar, and expense lines were explained. Motion to approve made by Linda Little, seconded by Susanna Zimmerman, and motion carried 7-0. In response to a question from Mark Wicklund, Robyn discussed number of CAT and StarTek employees left, and they have 20 – 25 ADM employees accessing services that were explained. In response to a question from Susanna Zimmerman, Robyn said Tate & Lyle did get back with her, many of their individuals retired or were absorbed in other departments, but they did see a handful.

Resolution Approving FY12 Budget Amendment – Trade Adjustment Assistance Grant

Robyn McCoy distributed copies of resolution, and grant is for \$281; this is just for staff costs for a handful of individuals, and they have to put a line in the general ledger noting this is a separate grant.

Linda Little asked if she actually spends more doing grant reporting on a \$281 grant, and what her estimate of time spent would be managing this grant. Robyn replied you have no idea with the reports, all her grants are federal but this they have to do several more reports than they normally do, and she discussed a five page reimbursement form every two weeks; there is really no advantage to take this grant but she has to since she has the companion grant for tuition, fees, and books, they can't put it all under one, and this should all be spent prior to November 30, 2012. While there is concern with the small grant, Chair Ashby commented if it is tied to the other one, he can understand that. Motion to approve made by Linda Little, seconded by Mark Wicklund, and motion carried 7-0.

Resolution Approving FY12 Budget Amendment – Veterans Work Experience Grant

Copies of resolution were distributed, Robyn said it was not taken to O&P since it was received in the last two weeks, and DCEO is awarding dollars to our area to run a Veterans Work Experience Grant; it is for \$74,330, is for the period July thru June, but she intends to expend the grant in full by November 30. It is working at the state parks, she will work with Clinton Lake and Weldon Springs and Spitler Woods, and they will put 7 individuals on work experience beginning next week; they have to be veterans, recently released veterans receiving unemployment, and it is interesting trying to identify those individuals. Motion to approve made by Linda Little, seconded by Tim Dudley, and motion carried 7-0.

OLD BUSINESS

Jay Dunn asked about any feedback about our proposal to cut the levy by a million dollars this year and if possible if everything looks good doing the same thing next year. Chair Ashby replied he has not received any feedback at all, and its only a million dollars.

NEW BUSINESS – PROPOSED FY 13 BUDGETS

Auditor

Chair Ashby said we are going to delay the auditor's budgets.

Board of Review

Copies of budget were distributed, and Ed Leonard said their budget is the same as last year except they increased Appraisal Research from \$5000 to \$10,000; in Legal Advertising it shows they still have the \$1000 left and haven't spent anything but they will have in another month or later, and they have a \$650 bill to go against it shortly. With line 7260, Mark Wicklund was wanting to make a motion to move \$15,000 into that line from the County Board budget to \$25,000, and it would be his motion to move that to give them enough financial in there for any assessments coming up for necessary legwork related to that; Tate & Lyle is just the first, hotel out there, and a couple others coming down and they need that money available. Linda Little asked the advantage to putting it in their budget instead of keeping it in the County Board budget. Mark replied the advantage would be that it is in their budget instead of coming to the County Board, they are going to bring it back if they are going to appeal it anyway, and this way the money is already in their budget. Jay Dunn doesn't have a problem taking that out of his proposed FY13 budget, and he seconded the motion.

Motion failed 3-4; with show of hands Dudley aye, Dunn aye, Wicklund aye, Ashby no, Greenfield no, Little no, Zimmerman no.

Later in the meeting, Ed Leonard asked for a vote on the BOR proposed budget, Chair Ashby called for a vote to send the BOR proposed budget on, Tim Dudley said so moved, seconded by Linda Little, and motion carried 7-0.

GIS

Josh Tanner distributed copies of budget, and there weren't many big changes. Chair Ashby questioned line 7180 EDP being increased to \$24,500, and asked where it will be spent. Josh said he used to get their bill at the very end of the year, last year he asked them to bill us for 13 months to finally get ahead so when he comes to this meeting you will see we have spent the money, and that is what they did for us last year; they moved the bill to the very beginning so now when the budget rolls over, he pays the bill right away; looking at 2011, it is because he moved the bill time since we actually spent the money; it was a hassle when he came to this meeting, you would logically say you haven't spent the \$11,000 - \$12,000, and he would say the bill would be coming the end of the year. Chair Ashby asked if he prepaid the bill for the rest of the year. Josh said yes, they have ongoing bills, one bill that is large, then monthly bills that come so the one large bill has been paid, the other monthly bills are still working their way through, it should all be spent by the end of the year since they didn't add any extra, and second page outlines the EDP budget for next year which has slight amount of extra because these are estimates. ESRI software is provided for several departments is \$11,800, Bruce Harris website is the property tax website for \$9300, and Pictometry Self Hosting is newer since in the past we cost shared with ETSB on aerial photographs and this time they would pay the purchase price and we would pay maintenance. Line 7195 Training, Chair Ashby asked about specific upcoming training. Josh replied they have a new person in the SOFA office, he will probably spend all of that this year and next year on her, and it will be a continual thing; we don't pay a lot with that position, once they are well trained other counties swoop in and steal our person, so training line will always be there since three years or maybe four at the most is the life expectancy of filling that position. Tax Mapping Specialist went down, they got their union raise, but someone was replaced so the salary changed.

Tim Dudley asked for an explanation of Bruce Harris website. Josh replied there was a request to get more of the assessor's information out into the public in a user friendly way, Bruce Harris developed the website which was described, and it will show assessment information and exemptions and picture and sales information; also this is what the self-help person trains people to use to find comparable properties for their BOR, procedure was explained, and they have done one or two training sessions for the public. Kevin Greenfield asked if it is free to realtors, and Josh replied yes; Chair Ashby has had positive feedback on this website from two realtors. Motion to send this on made by Jay Dunn, seconded by Mark Wicklund, and motion carried 7-0.

Supervisor of Assessments

Daysa Miller distributed copies of her budget. Changes include an increase for the Supervisor of Assessments salary of 3% as it is right now, she is sure that will change next year since she is retiring, and it is an unknown depending on what they decide to do; there is a 2.5% increase for contract employees. Hospitalization increased for the self-help person to be included. EDP line was changed for an additional \$2000 to \$28,000 reason being they are over it right now as far as what is there for the current budget, and she anticipated an increase to take care of changes for the EDP line to be covered next year.

She asked Josh to talk about the self-help person or the staff member they want to include in it. Josh said this is the person you authorized the last time to be part time the rest of this year, and it's coming back to make it a full time position in the next fiscal year; it gets put under deputy assessor, there are only two job titles in the office, deputy assessor and supervisor of assessments. Linda Little asked about 2.5% union raises and hiring another person for \$12,000. Daysa said it is there, and is \$138,000. Linda Little said that is proposed but last year it was only \$125,000, so with that increase of \$12,000 everybody gets a 2.5% increase and they are hiring a new full time person; question is that person's salary in this \$125,177 for this year because of the increase granted at the last board meeting, and that salary is not going to change for next year. Josh doesn't know that the salary won't change but you have had some position changes so salaries at the bottom end have gotten lower, they did authorize the funds last month which are included in there, its three or four things causing the gap to be different, and the \$138,000 is correct. Linda Little commented so they aren't going to come back and say oh the salary line was wrong; don't ask.

Line 4330 Reimbursement from State, Chair Ashby asked the reason for the large increase. Daysa said before they weren't paying that amount, and she anticipates we will get the full 50% this year; she did not put it in last year's budget or the prior years because the state did not reimburse all of it; she knows they have been paying this year unless someone has heard otherwise which she has not, and she assumes they would continue to do that. Amy Stockwell will check their worksheets and provide that to everybody of actual payments; they have been paying, we're putting \$2400 on, and collecting \$2400 at least this last month. Motion to accept as presented made by Linda Little, seconded by Mark Wicklund, and motion carried 7-0.

Treasurer

Because of Ed's 22 hour train ride, Chair Ashby said he does not have a budget yet.

Misc.

Josh Tanner commented on the Comcast Cable contract, they were unable to come to agreement on an informal negotiation process, and that leaves the county with just the formal process which entails creating some specifications and putting it out. He suggested we schedule some meetings to solicit opinion from the citizens on Comcast's current performance, take their suggestions on what needs to be in the RFP, and the sticking point is they did not want to be compelled to compete with any small cable provider in the county. That is where we are hung up, we have to go the formal process, our attorney sent him documents so we can begin putting together a formal RFP which will come before Finance and the County Board, and then we'll see what we get back from that. He will take this report on to the County Board so everyone can hear where we're at. It has been a long process, two years, at some point you have to bring it to a close, and move to a formal process.

Jay Dunn distributed information from a company they had met with, Steve Bean and Amy Stockwell, and he would like committee to review it. He asked Tom Schneider and Mary Eaton to be there but they couldn't make it. He wants to look at three offices preliminarily with Sheriff, Recorder, and County Clerk; we have to have a study before we can look at raising fees, they look at the office as far as what would automation do, are there different things you can do in that office where you could downsize, this is a new outfit and not sure if he is still chairman of the McLean County Board, they are wanting to get into this, last time we did it was Maximus who was extremely expensive at over \$100,000, and we can get this done real cheap. They are looking for a customer, are close, and those three departments it wouldn't hurt to look at them. After reviewing the information and giving him a call, he can have them come in again.

Chair Ashby questioned what the fee is based on, increase in revenue or set fee, and was an estimate given. Jay replied it is a set negotiated fee, \$750 to \$2000 per department for a preliminary, and he would like to get all three of them done for \$300 since they are eager to get some county to give them some business and they have made presentations to other counties, and he plans on beating them down on price. They did not give their ongoing virtual program which he was interested in; example in Steve Bean's office was given on a \$42 fee, McLean County charges over \$100, and they just raised it bingo and this here is more like you are at \$42, go to \$45, go to \$50; this is looking at it every year for a maintenance fee, but they didn't give the maintenance fee. Chair Ashby if they will come back to Finance Committee, and Jay replied or the Audit Sub-Committee. Chair Ashby would be interested in attending the meeting, and suggested even the full County Board attending.

Jay Dunn said an outfit called him the other day about aggregation on electrical buying, there was an article in the paper about Logan County, Steve Bean sent him information, but he hasn't had time to look at it. If we want it on the ballot in November, we have to take care of it by August. This company wanted a presentation, and he asked Kevin Greenfield and Joe McGlaughlin to meet with them; we do not have time to get this through the county doing an RFP, the City has sent out an RFP and plans to pick someone, and he thinks it would be in our best interest if we do this to line up with the city. Kevin Greenfield doesn't remember where they were from, and they anticipated we would hear from a couple other companies selling the same product; they buy electricity cheaper than what it is on the market, consumer has opportunity to buy it at a cheaper rate, Logan County residents saved \$230 - \$250 a year, and it is something we should probably put on the ballot; picking the same company the city uses, we have more residents going together to hopefully buy it at a cheaper rate. Linda Little asked what is it that we're putting on the ballot, advisory to pursue or if they vote yes we have to pursue. Kevin replied it is a referendum that tells people of Macon County that they can buy into this program, without it being on the ballot they can't, this opens it up for all people and not just businesses, more for residential than commercial. Linda Little asked the purpose of the referendum. Joe McGlaughlin said it puts on the ballot an option for people to opt in or opt out of a negotiated price for their electricity if it is approved; county would only cover the unincorporated areas, the city would have to cover the city, Logan County was discussed; it is designed that if the people say yes do this, they don't have to do anything and will be included or can opt to be excluded and nothing will change except your power bill will be lower, Ameren still provides everything, and nothing will change except bill should probably go down about \$20 a month for average household; this company has quite a bit of the Ameren territory already covered including counties of Peoria, Tazewell, East Peoria, and Pekin, but there are other companies in the business. Whichever firm you decide to go with, Kevin Greenfield said there is no cost to the county, and they will do the marketing and will get a small smidgen of the savings. Joe McGlaughlin added the ballot question is, Shall the municipality or county in which this is being voted have the authority to arrange for the supply of electricity for its residential and small commercial retail customers who have not opted out; individual accounts at Ameren have saved 15 - 30% on their entire bill, this only comes out of the supply portion of bill, if we aggregate 10,000 households they would save \$240 a year which would be \$2,400,000 of additional spendable income in the community with no capital outlay on anybody's part, and if you get 50,000 you get \$24,000,000 which is expendable money that goes directly into pockets of consumer; comparison of plant with \$2,400,000 yearly payroll was discussed; while there are more questions, he doesn't see many negatives.

Chair Ashby discussed smart meters which lots of people have in their homes, you pay per kilowatt depending on load using afternoon usage versus 2:00 in the morning usage, he has had other companies that have approached and they do not accommodate the smart meters, he has a smart meter and probably saved over the last two years \$700 - \$800, and this is one question that would have to be answered. Joe and Kevin couldn't answer the question about smart meters with this company, but they could call and ask them. Mark Wicklund's question to the supplier is everyone has received those brochures over the last year in the mail, he looked into some of those, talked to three of the companies providing that, and how would that affect the customer settled into an agreement with one of these suppliers already getting it for three to four cents a kilowatt hour now; also the three companies he talked to have specific guidelines in there that if you are on budget billing, you are not eligible for this program; if you go to Ameren and ComEd websites, they all take you to these supplier websites, and various website options were discussed; he doesn't understand all of a sudden we have this jump on for the community to get behind one supplier, and we already have plenty of options out there. Joe McGlaughlin agreed, and tonight we need to ascertain if there is interest in having them come back to talk. Kevin Greenfield commented these people were on their way to another meeting, they only had 15 minutes with them, and maybe they could attend an upcoming meeting. While everyone is interested in saving money, Chair Ashby commented there are many questions that need to be answered before we choose any supplier.

NEXT MEETING

July 30, 2012

ADJOURNMENT

Motion to adjourn made by Mark Wicklund, seconded by Linda Little, motion carried 7-0, and meeting adjourned at 6:25 p.m.

Minutes submitted by Linda Koger
Macon County Board Office