

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

MEMBERS PRESENT

Chair Keith Ashby
Tim Dudley
Kevin Greenfield
Linda Little
Susanna Zimmerman

MEMBERS ABSENT

Jay Dunn
Mark Wicklund

COUNTY PERSONNEL PRESENT

Ed Yoder, Treasurer
Sheree Zalanka, Health Department
Daysa Miller, SOFA
Amy Stockwell, Auditor
Lori Long, Probation
Randy Waks, Asst. State's Attorney
Josh Tanner, GIS
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 made by Tim Dudley, seconded by Linda Little, and motion carried 5-0.

CLAIMS

Motion to pass claims on to the full board for approval made by Tim Dudley, seconded by Susanna Zimmerman, and motion carried 5-0.

REPORTS

Auditor

Amy Stockwell distributed copies of two regular reports, Payroll Non-Union Raises Processed and Claims Paid Over \$1000. Budgets were due last Friday, everything is not in yet, and she will email a report for committee indicating what is in and what she is waiting for and distribution will include department heads. She got limited response from committee regarding preference on budgets, whether committee will use tablets or have books, so she will prepare books for everyone; information will be put on the website also, but some voluminous supplemental material will not be published in the books but just on the website. Josh Tanner gave the county's website address, www.co.macon.il.us. Amy commented the first version of budget books will be incomplete, but will have materials for the 8-6 hearing. In addition to completing a vehicle audit, she has compiled a driver's list that was turned over to the insurance company which will be updated twice a year on a continuous basis. Travelers Risk Control was here Friday, had additional suggestions in the motor vehicle area, and they will be implemented. IMRF was here with their first audit, they were professional and thorough, and were interested if we could reconcile our numbers and resolutions in place which we did; two questions were if there was anybody on IMRF who should not be and anybody who isn't on IMRF who should be. Their full report will be discussed with O&P Committee, they raised an issue on IMRF board participation, rather than individuals deciding how much work they put in, the board as a group has to decide and take action that you are working more than 600 hours a year, and she did not understand that until they explained it last Tuesday. Chair Ashby asked how many board members signed that before, and Amy replied 9.

Supervisor of Assessments

Daysa Miller reported they are close to finishing the township work, the SA work on field to publish assessments, and they hope to get all townships done in August.

Resolution Approving and Ordering the Disposal of Public Records Under the Control and Possession of the SOFA

Daysa Miller distributed copies of resolution, and she attached the records they are looking at disposing of. Reason for Finance Committee and the County Board is by resolution the only thing on here they have to have approval from the County Board is the assessor books; to dispose of them, she has to come to the County Board for approval, it is just a housekeeping resolution, and she confirmed they are keeping six years on hand. Motion to approve made by Kevin Greenfield, seconded by Tim Dudley, and motion carried 5-0.

Treasurer

Resolution to Execute Deeds for Delinquent Taxes

Ed Yoder distributed copies of resolution. Kevin Greenfield said so moved, seconded by Tim Dudley, and motion carried 5-0.

Workforce Investment

Resolution Approving FY12 Budget Amendment

Amy Stockwell distributed copies of resolution since Robyn McCoy was not able to be here tonight. This is a new grant from the City of Decatur, it will allow basic skills training before they put people through job specific curriculum, and training is in two areas including computerized control for manufacturing and health care CNA program; resolution shows portion of grant that falls into current fiscal year, does require a match, and match is being provided by \$10,000 from EDC, \$5000 from Community Foundation, and balance from other grants already in Workforce program. Motion to approve made by Linda Little, seconded by Tim Dudley, and motion carried 5-0. Chair Ashby asked where training will take place, and Amy replied RCC.

State's Attorney

Randy Waks distributed copies of two resolutions.

Resolution Approving Increase in Appropriations for Teen Court

This grant is funded by funds received through payment of fines, presently there is about \$187,000 in the restricted fund balance that is unallocated, Teen Court expenses ran into unanticipated additional expenses this year including telephone and travel, and they want to be able to tap into their restricted fund balance with this resolution. Chair Ashby asked him to define what he includes under \$6000 of contingent, and Randy didn't know the answer. Tim Dudley asked why they had to have a \$2200 addition to telephone, and Randy replied they had to buy new cell phones for their program. Tim Dudley made a motion to accept but at the full board meeting he wants to know what contingent means, and seconded by Linda Little. Chair Ashby will vote for it but would like a definition of what contingent is for \$6000, and Randy commented he will get that. Motion carried 5-0. Linda Little asked who administers this grant, and Randy said David Kidd.

Resolution Approving Modification in Appropriations for Violence Against Women Act (VAWA Grant)

Randy Waks said because of the change we are losing that grant, there is a change in fiscal years since we don't coincide with the federal fiscal year, so they are asking for, hold on to your seats, a decrease in four lines and an increase in one line being \$574. That is the only reason they are coming to the board since if just decreasing the others, they would just do that. Motion to approve made by Tim Dudley, seconded by Susanna Zimmerman, and motion carried 5-0.

Health Department

Sheree Zalanka distributed copies of four resolutions.

Resolution Approving Increase in Appropriations – Senior Health Ins. Program

This resolution is to add a couple small grants they overlooked, this program gets small grants periodically, expense is higher than revenue since some funds being spent in FY12 were received in FY11. Motion to approve made by Linda Little, seconded by Tim Dudley, and motion carried 5-0.

Resolution Approving Reduction in Appropriations for Targeted Intensive Prenatal Due to Reduction in Revenue from State of IL

Sheree said they received notice from the state on June 20 that they were no longer going to have this program effective June 30, and the program was cut throughout the state. It employed three people, two nurses were laid off, one nurse was retained and placed in Family Case Management since they still have 120 clients, and will try to provide limited services. They are moving money from TIP to Admin to cover some admin costs, revenue will also increase because every employee in family case management they get 50% of their salary back in Medicaid match. Tim Dudley said so moved, seconded by Linda Little, and motion carried 5-0.

Resolution Approving Increase in Appropriations in the FY12 Health Fund Budget for Teen Pregnancy Prevention

Sheree said they will be sub-contracting with Webster Cantrell Hall for this program, they were invited to apply for this program, they received \$287,000, Webster Cantrell Hall was receiving \$60,000 from a private donor to run a similar program, and it is a one year grant. Motion to approve made by Linda Little, and seconded by Susanna Zimmerman. Kevin Greenfield asked if they think this program works since according to the numbers it doesn't look like it works real well. Sheree commented she didn't know, this should help since Macon County is ranked #1 in teen pregnancy, and that is probably the reason they were invited to apply. Motion carried 5-0.

Resolution Approving Change in Appropriations – Maternal, Infant, and Early Childhood Home Visiting Program and Community Development Enhancement

Sheree said this was a federal grant through the state, they had a resolution for this a couple months ago, they didn't have the correct information on the reporting, and it is a clean up resolution which she explained. Motion to approve made by Linda Little, seconded by Tim Dudley, and motion carried 5-0.

Probation

Lori Long distributed copies of two resolutions, and both are dealing with timing issues of multiple grants.

Resolution Approving Increase in Appropriations in the Probation Grant Fund for Juvenile Redeploy IL Grant, IDOT DUI Grant, 2nd Chance Juvenile Reentry Grant, and Adult Drug Court Demonstration Grant

Due to a slow start up in their three newest grants, they need to move some of their state fiscal year 11 grant funds into county fiscal year 12 to expend them; for Juvenile Redeploy which they are in the 8th year of that grant, a portion of SFY11 falls within county FY12, so this addresses those two issues and would allow them to spend all of their award dollars. Motion to approve made by Linda Little, seconded by Susanna Zimmerman, and motion carried 5-0.

Resolution Approving Increase in Appropriations for Juvenile Redeploy IL Grant & IDOT DUI Grant

This reflects the announcement on their grant renewal for DUI Court and Juvenile Redeploy, they received renewals for both for SFY13, part of the SFY13 falls within the current county FY, so this allows them to record the increased revenue and expenses of those two grants. Motion to approve made by Tim Dudley, seconded by Kevin Greenfield, and motion carried 5-0.

OLD BUSINESS – REVIEW OF MUNICIPAL ELECTRICAL AGGREGATION

Christine Pinckard, Advisor for Integrys Energy Services, distributed their packet of information, and said she was asked to come here to bring this information. She read information from a slide presentation in her packet, and said there is no cost to the county for this program. If it chooses, the county can actually make revenue from this program to use for other services within it, and the county would make based on the program that it decides; you can choose the mix, green energy or solar or whatever, you get to make that decision; you have a fixed rate since this is not fluctuating at all, if you choose 12, 24, 36 month contract the rate remains the same. If Ameren's rate catches up with the market and their rate somehow becomes lower or the same as what the new supplier rate is, everyone who is in a contract would be let out of the contract with no charge, and they would return or fall back to that regular rate of utilities. Communities they work with as far as the referendum, they have 100% success rate, 20 communities in the state who already switched, that is the number that worked with Integrys but there are 236 communities as of end of July who already switched to alternative supplier, and 70 are in Ameren territory with the rest in ComEd. Macon County purchases its energy already from Integrys for municipal accounts for your buildings, as has the city of Decatur which has purchased alternatively for quite some time, not for the residents which they are considering, but for their municipal buildings.

Chair Ashby asked if this is a combination of gas/electric, and Ms. Pinckard replied no, gas has not been deregulated for residence, and this is for electricity only. Chair Ashby asked if they have the smart meters, time of day metering. Ms. Pinckard replied the meters are maintained by Ameren, it is whatever meters they have, and Integrys has nothing to do with that. Chair Ashby asked if you have an Ameren smart meter, you would get time of day pricing. Ms. Pinckard replied that would be whatever program Ameren has, and this is just the supply and has nothing to do with pipes and wires and facility. Linda Little asked if the referendum needed on the ballot this fall is just as to whether we want to participate in this type program, and not a referendum to participate with Integrys. Ms. Pinckard replied you would need to participate with us, you would need to make a referendum to put it on the ballot for citizens to vote on giving you the authority to purchase energy for them, and deadline is August 20. In response to a question from Kevin Greenfield regarding other municipalities in Macon County, Ms. Pinckard said yes they are very excited and she met with Mt. Zion & Forsyth but doesn't want to give away all the communities since this is a sales pitch, and there is only one community in Macon County that is a no for personal family reasons. Kevin Greenfield asked if each community picks a different supplier, how are they going to sell it if all going different ways. Ms. Pinckard replied each community can pick their own supplier, timing of the purchase is what's important, and you can pick whichever company you want; it is not the size of the aggregation but timing of the market which she discussed. Chair Ashby asked if her example in the slides showing a savings of \$20 monthly is what a residential customer could expect. Ms. Pinckard replied that has been the average so far, and she likes to say one free power bill a year. Tim Dudley commented we are not covering all of Macon County, only unincorporated areas, and she said correct the unincorporated areas is what the county board would get to vote on and she is only asking for the unincorporated areas.

Randy Waks foresees that if you are also talking to municipalities there would be a number of referendums almost identical but for different jurisdictions, and asked if she has a proposed resolution. She said correct, it is not in her packet, but she can email it to him since it is the same language used in all communities.

Tim Dudley talked about giving this board possibly the go ahead to move forward to the board meeting next Thursday, he has talked to Randy Waks who is willing to get a resolution ready, so the full board could vote on it next Thursday; all we need at this point is approval from this body to move it forward, and let the full county board vote on it for the resolution. Chair Ashby would like to see Randy look at the resolution first before we move in that direction, this is just the first of many companies that provide this service, he is not opposed to doing this, but we are under the gun to try and rush this through by August 20. Tim said that is why he proposed what he proposed, Mr. Waks can get this prepared in a couple days and emailed to everybody to review before the county board meeting, that is rare at times, but each county board member would have plenty of time to read the resolution to get all questions answered before voting on it at the county board meeting. Chair Ashby is not questioning giving the county a choice, but whether we can put this together in the next 20 – 21 days, and would he like to make that a motion. Tim Dudley said he would like to make that motion, and seconded by Kevin Greenfield.

Linda Little's concern is this looks like a wonderful company but she doesn't know squat about the other 26 out there, and she is uncomfortable making a resolution to purchase from the first vendor we heard from. Kevin Greenfield said if hear from other vendors or a couple meet with Chairman Dunn or Ashby, at the August 20 meeting we can always vote it down. Linda Little corrected that it is the August 9 meeting. Tim Dudley said you have to look at who is the most aggressive, if this is the most aggressive company that has come out and first spoken to us then that gives them a little credo in his book, people can also opt out of this at any time and don't have to opt in it, we are not giving our county a service if we don't let them try to vote on this, if they vote it down that is their choice, but it is our duty to give them a choice as a governing body. Ms. Pinckard commented again on Integrys, mentioned plug in IL.com to see communities who opted out, you see the service area and referendum date and price given when they went to bid, and Integrys currently is the lowest; she is here as the supplier, these other companies you are talking about have had the same opportunity to do that, but they chose to go to the biggest communities first, and this is where she lives which is why she is here because if you wait on this, the next time you can do it is April and impact of doing that was discussed. Kevin Greenfield commented another company did meet with McGlaughlin and him a month or so ago, they commented there would be several companies coming to sell their services, and since time is of the essence we need to act on it. Chair Ashby asked that the motion on the floor be restated again to get a resolution drafted by Mr. Waks to present to the full board, Tim Dudley said correct, motion was already seconded, and motion carried 5-0.

NEW BUSINESS – PROPOSED FY13 BUDGETS

Auditor

Amy Stockwell distributed copies and since you are her oversight committee and budget hearing committee, you can take this draft and refer it on to yourselves for later action since there are unanswered questions that she will discuss. First page is her current organization, she has achieved some savings because one of her employees left and is no longer a county employee, her employees were given the choice of absorbing that work, they stepped up to the plate and agreed to absorb her job, they are working out the details, and this is what it looks like for her main department.

The Deputy Auditor is up 2.5%, accounting clerk is up 2.5% per contract with the results of that reorganization, printing operator is up 2.5% per contract, and she has saved one whole position for health insurance. Second page, Amy has had numerous conversations about the need for, Macon County as a major employer with 500 full-time employees and 100-200 part-time employees, to have a human resources on a continuous basis; it is unusual for an organization of our size not to have human resources, but the reason it has worked is because they work with Randy, Ed Flynn, insurance company resources but it is time now to step up to ongoing professional management of human resources. To make that issue clear she put that part on a separate page, envisions it folded into the departments to make use of all things currently happening, the job is doing what they are doing now but more hours and brain power to do it, providing resources to departments, centralized place to keep understanding of things, and helping departments develop management systems. She included incidental expenses with the proposed salary, money for that person to get some training, join local HR organizations, and to acquire HR software. She needs HR software and is at the initial stage of investigation, two options shown are two different vendor funding mechanisms, first option is the most integrative with her system, a system that is completely compatible with fund ware has been installed in other fund ware operations, it is a high ticket at the beginning since she has to buy the license and pay to install it and ongoing support, \$12,000 consistent with what she is paying for the financial software. Other option is fewer features, not integrative with her payroll system, does have a lower cost, have to sign a two year contract, and cost per year is much lower. She feels we all need to chew on this. Information has been attached on the current organization, and not is payroll the most important financial thing that they do, government wide we are about 50 – 55 million of expenses, 21 of that is payroll with another big hunk of benefits, they issue payroll of \$834,000 every two weeks, \$500,000 in general fund and balance from other funds. She asked John and Ted to be here because of the importance of, you all asked Amy to be the Director of Insurance, and she has worked with Travelers and they clearly see us needing to take this step, and an action document is on the way that says that is their number one priority, take everything they are doing and increase the professionalism, and also speed up the process for them to be able to answer questions. They also need to respond to an ever increasing number of legal requirements on payroll which she explained, and this is her preliminary plan for the department and the position.

Tim Dudley said she has a \$16,000 net gain with her promotion so she is only talking about a \$36,000 net increase to hire the HR person. Amy said no, the bottom line on the HR with the lower option on software is a total of \$90,000, and her note is for the two software options. Tim replied he was talking about salary only, and Amy said salary yes. Chair Ashby asked if this person would report directly to her. Amy replied yes since that makes the most sense since they are already attempting to do a lot of this but she doesn't have enough brains and hours in the day to do it, and she would present the hiring option to the Finance Committee to obtain approval before making the hiring decision; regarding office space, she thinks she can accommodate it within her current arrangement, will need another computer etc., she wants the person with the files, and will work with the Building Commission about creating more private space.

Chair Ashby questioned Travel, Legal Advertising, Contractual Services, Professional Services since very little money has been spent so far. Amy replied she held everything the same, her travel expenses were in June, she needs to fill statutory requirements for continuing education trying to do it in Springfield, also doing webinars; Legal Advertising has potential to reduce that but she has a requirement to publish, statutory requirement is quarterly report on financial, she gives detailed reports every month, legal advertising is a notice on that and the budget and CAFR; Contractual Services is if she asks MCK an additional question outside the scope of audit services they bill her, and money in there for potential consulting on benefits which is the 7245 line.

Kevin Greenfield asked Susanna Zimmerman and Linda Little coming from big companies how important is an HR person. Linda Little replied the county needs one, it needs to be a county employee, and not an appointee of the County Board Chair; HR person is limited working for the county than working for a company because of the sanctity of elected officeholders, there are state and federal mandates for how and what you can do and with your employees, and an HR person at the county level would be good to work with officeholders that want it, may have some officeholders that have been there and done that and don't need it, but she thinks having one place where it can be kept organized is a very good idea. Later in the meeting, Amy added because of the internal control issue, it is high priority to get the right person who understands the role is helpfulness, there is a selling piece to the job, and in our structure that is important.

Tim Dudley asked if this would be a county employee and not appointed by the County Board Chair, and Amy replied right. Updating handbook was brought up, and Amy said she made a start but it's physically not possible because of financial reporting and budget duties. Responding to Susanna Zimmerman's question about percentage of time spent on HR related duties in a month, Amy replied she couldn't begin to tell you, its very high for Carol, very high for Amy, payroll and benefits administration are normal operations, but 1/3 for each of them. Amy asked Ted Miller to address HR and Risk Control. Ted Miller has never called on an employer with 500 full-time employees that does not have an HR person, is unheard of today, and Travelers has said if you want to take your risk management program to the next level this is the number one priority; person who puts that document together is a specialist in governmental loss control services, her duties were described, when she says that she is comparing you with your peers which carries a lot of weight, it would be prudent for the county to move forward with this, and would free up Amy's time to do other financial pieces and bring increased professionalism.

Motion made by Tim Dudley to move it on to the next Finance, seconded by Susanna Zimmerman, and motion carried 5-0. Chair Ashby said it will be moved on to the budget hearing.

Treasurer

Ed Yoder distributed copies of his budget, and there is very little change from last year. Treasurer salary is set by board resolution, others in his office with exception of Chief Deputy is set by contract for their pay, and he gave his Chief Deputy the same increase the contract gives the union personnel. He got hospitalization numbers from auditor. Lines 7110 – 7230, very little has changed, and money spent up to this time is a timing issue since it will be spent this fall like Legal Advertising; postage increased from last year; EDP price is set and that is Fike & Fike real estate that he uses and their internet and their fund ware, and that is his part since he uses the same system as the County Clerk and SOFA. Lines 8020 – 8200, he will be spending that money later in the year. Lines 4119 – 4260 have not changed that much. Revenue, part of the pay for Chief Deputy and Supervisor Coll comes out of that line, and also the extra help they use during tax collection season. Fringes come from the auditor's office.

Line 7180 EDP he takes a little out of that fund, and Tax Sale License for the delinquent sale in November, and total is there. Equipment, see what he used so far, and he has no new line items added this year but Equipment \$4400 he is requesting to replace the Lexmark printer and he is working with Josh Tanner; he has Lexmark printer currently, it is 7 ½ years old, can't get parts and can't depend on it, and new model is an upgrade. He has firm quote on the new printer not quite \$4400, he is also requesting \$400 for new adding machines, supplies, it is right at \$4000.

Chair Ashby questioned extra help total spent as of end of June, and Amy replied she could get that report. About 2 weeks prior to end of tax cycle on first and second installment, Ed normally has 4 and sometimes gets by with 3 people, pays them \$8.50 average, and two others who have been here for years pay at \$9.75 and is beyond the four people; detailed explanation of \$15,300 budgeted for extra help was explained. Chair Ashby requested a breakdown sometime between now and the budget hearing. Motion to accept the budget to present for budget hearing made by Linda Little, seconded by Tim Dudley, and motion carried 5-0.

NEXT MEETING

August 6, 2012

ADJOURNMENT

Motion to adjourn made by Linda Little, seconded by Tim Dudley, motion carried 5-0, and meeting adjourned at 6:29 p.m.

Minutes submitted by Linda Koger
Macon County Board Office