

FINANCE COMMITTEE MEETING
Special Meeting – Budget Hearing #1
August 10, 2015 @ 5:15 P.M.

MEMBERS PRESENT

Jay Dunn, Vice Chair
Keith Ashby, Chairman
Kevin Greenfield
Patty Cox
Tim Dudley
Linda Little
Greg Mattingley

COUNTY PERSONNEL PRESENT

Kathie Powless, Veterans Administration
Doug Harlan, U of I Extension
Nathan Pierce, Historical Museum
Carol Reed, Deputy Auditor

MEMBERS ABSENT

none

Jeannie Durham, County Board Office

CALL TO ORDER

The meeting was called to order at 5:15 p.m. by Chair Jay Dunn at the Macon County Office Building.

APPROVAL OF MINUTES

Motion to approve minutes of prior meeting on 8/3/2015 was made by Ms. Little seconded by Mr. Mattingley and motion carried 7-0.

Budget Proposals

Veterans Administration:

Kathy Powless said that she was not able to meet the 3% decrease, but she had agreed to take the overages out of the fund balance. Chair Dunn asked her to present the budget line by line.

Mr. Ashby asked what the fund balance was. Ms. Powless said it is \$85,000.

Ms Powless presented the budget as follows:

A 3% pay increase was included for Ms. Powless & employee Greg Collins

Hospitalization, SS, & IMRF were things she had no control over.

Maintenance of Equipment was left at \$300.

Telephone stayed at \$1,200

Travel was decreased by \$330. It was thought that the training would be in Decatur next year, but it will be in Peoria instead. Both Ms. Powless & Mr. Collins have to go and stay the whole week.

Postage was left at \$900

EDP was decreased from \$3,000 to \$1,000.

Dues went up \$55 because now that Mr. Collins is certified, he has to be a member of the organizations too.

The copy machine is still being paid on.

Veteran's Burial is required by the by-laws

Bus Transport was left at \$10,000. With that amount, veterans get a bus card every 2 months instead of every 3. It is really helping them

Supplies were brought down to \$3,000. She said they have credit cards now and so can shop online for better prices.

Misc was decreased to \$1,000.

Equipment was decreased to \$1,000

Mr. Dudley made a motion to approve the budget with the rest of the funds being taken out of their fund balance, seconded by Ms. Cox.

Ms. Little asked about postage saying that in 2014 only about 2/3 of the \$900 budget was used. She asked if it was expected to use all of the \$900. Ms. Powless explained that between Memorial Day, Veteran's Day, Pearl Harbor, & all the quarterly meetings, it goes out. Mr. Mattingley said the FY15 postage line shows nothing used. Ms. Little pointed out that Memorial Day was after the budget reports were printed. Ms. Reed explained that postage is an internal charge and their office hasn't made that charge back to them yet.

Ms. Little asked about the maintenance of equipment and what sort of things that was used for. Ms. Powless said she knew she had to make cuts and thought this would be the line where she could give some up. New scanners, computers and program were bought last year, so they should need much maintenance. Ms. Little clarified saying that chances are that next year the money may not be spent. Ms. Powless agreed.

Mr. Greenfield asked how far she was from the 3%. Mr. Dudley said it looked like a 1% increase, so to get to the 3% decrease the budget would need to be cut 4% or about \$6,500.

Chair Dunn asked what the fund balance was last year. Ms. Reed said the fund balance last year was about \$86,000. It is sitting at \$85,000 now.

Ms. Little said that at this early stage of the process, she is hesitant to approve the budget. She said she thought it was a very realistic budget and there is a fund balance to dip into, but Chair Dunn has repeatedly told office holders that we will examine the ones that don't make the 3% cut at a later date. So, if this comes up tonight, she would not be voting for it just because of the statement that has been made by the Chairman.

Mr. Greenfield said he agreed with Ms. Little and addressed Ms. Powless saying he thought it was a good budget, but under the circumstances he would like to see where the cuts would have to be made if they were to require the 3% cut be made. He suggested a meeting later in the season to take a look at it and possibly adjust it accordingly. He said he did not want to start out with the first budget of the season over 3% because he could see it going downhill after that.

Mr. Dudley withdrew his motion and Ms. Cox withdrew her second.

Mr. Greenfield made a motion to have the Veteran's budget come back at a later date when they meet with some of the other offices that have a hard time meeting their 3% cut, seconded by Ms. Little, and the motion carried 7-0.

Chair Dunn said they would set up another meeting at a later date to listen to another version.

Historical Museum:

Nathan Pierce pointed out that the floor manager line has been zeroed out. He said he pays people part time to help out directly from their account so it does not go through the county. After removing that \$6,000, the budget or the tax levy received are not affected.

Chair Dunn said it looked like it was well over a 3% cut.

Mr. Dudley made a motion to approve the proposed budget, seconded by Mr. Greenfield and motion carried 7-0.

U of I Extension

Doug Harlan announced that he was asking for a 3% increase in the authorized tax levy which would put it at approximately .0247 of an authorized 5 cent levy. He explained that this equates to \$11,612 increase in the tax levy which is less than one penny per taxpayer. This is the first requested increase in 5 years and it is in the face of a \$67,000 budget deficit from the state. The increase would only cover 18% of the deficit with the rest of it being made up through 4 federal grants and some increased local funding, mainly through the foundation. There is a possibility that the \$67,000 budget deficit could grow. The governor has put forth a budget that has not been voted on yet but has zeroed out the extension funding completely. There will be no salary increases for non-union employees. The only pay raises will go to contracted union clerical staff. He said they would be going up from a \$387,000 tax levy to a \$398,000 tax levy.

Ms. Little asked about the federal grants and commented about some of the other agencies in the county who are also dependent on federal grants are not getting their money because it has to go through the state. Mr. Harlan said these do not go through the state. Two go through the Department of Justice for youth programming and two go through the USDA. They come straight to the University and the money is received on time. He said he was aware of that situation. The 4H camp has a \$40,000 EPA grant that had to go through the state and it is being held up.

Mr. Harlan said he has chopped & saved money over the last few years, but he just cannot do it again without asking for a little bit of an increase. He said he spoke with the finance office on campus and the \$67,000 cut is going to be a fact. That will be a minimum deficit.

Chair Dunn asked what the backup plan was if the governor cuts all of it. Mr. Harlan said that the finance office has some federal money they've squirreled away that they will use as a back-up, but ultimately they will have to reduce staff. There won't be a choice. Depending on the position, that can be a lengthy process with union and civil service rules.

Chair Dunn said that they, again, have a budget that has not met the 3% cut. Mr. Harlan replied that he is not a county office so he did not know how he could meet the 3% reduction. He said he was asking for an authorized tax levy. He said he understood the 3% reduction, but felt that if he was not a county office and was only asking for a tax levy, that would not apply to the extension office. Chair Dunn said the Veteran's Office is not a county office either and they depend on the tax levy. Ms. Little reminded them that when the budget was talked about in committee, they knew it may have to come back and in her opinion, it would be a lot like the Veteran's and the Extension does need to have a way to come up with that, but the goal of the committee is to look at all of those that don't meet it whether they are an agency, department or

whatever. That way, at the end of the process, the overall impact to the citizens of Macon County can be looked at. She said she realized the request was “teeny”, but how many “teeny’s” does it take to be an impact on the taxpayers. She said it looks like a good budget and it is as “iffy” as they get with the state playing along too, but she said she would like to look at it again later in the process after looking at some of the others. She stressed that she was not disagreeing on the facts, but that is a conversation not just for the Extension, but also for several others that have their own line item on the tax bill.

Ms. Little said that would be her motion – to review the budget again at a later meeting, seconded by Mr. Dudley and the motion carried 7-0.

CITIZEN REMARKS – PUBLIC COMMENT - None

OLD BUSINESS - None

NEW BUSINESS - None

CLOSED SESSION - None

NEXT MEETING - Monday, August 24, 2015 @ 5:15 p.m. (2nd Budget Hearing)
Monday, August 31, 2015 @ 5:15 p.m. (next regular Finance Committee meeting)

ADJOURNMENT - Motion to adjourn made by Ms Little, seconded by Ms Cox, motion carried 7-0, and meeting adjourned at 5:45 p.m.

Minutes submitted by Jeannie Durham, Macon County Board Office