

FINANCE COMMITTEE MEETING

August 31, 2015

5:15 P.M.

MEMBERS PRESENT

Jay Dunn
Pat Berter, Probation
Kevin Greenfield
Linda Little
Greg Mattingley
Keith Ashby
Tim Dudley
Patty Cox (arrived @ 5:17 p.m.)

COUNTY PERSONNEL PRESENT

Pat Berter, Probation
Mike Baggett, State's Attorney's Office
Judge Webber, Courts
Ed Yoder, Treasurer
Jerry Lord, DPBC
Rodney Forbes, Public Defender
Carol Reed, Auditor
Lisa Wallace, Deputy Auditor
Jeannie Durham, County Board Office

CALL TO ORDER

The meeting was called to order by Chair Dunn, at the Macon County Office Building.

APPROVAL OF MINUTES

Motion to approve minutes of prior meeting, budget hearing #2 (August 24, 2015) was made by Mr. Mattingley, seconded by Mr. Greenfield and motion carried 6-0.

CLAIMS

Motion to approve the report of the claims as presented made by Ms. Little, seconded by Mr. Ashby and motion carried 6-0.

REPORTS

Audit Sub-Committee –

Ms. Reed had no report

Auditor

Macon County Board Resolution Approving Flexible Spending Account Proposal with Benefit Planning Consultants, Inc.

Ms. Reed explained that the proposal had gone through both the O&P & Insurance committees. One of the labor contracts that is in process of getting approved has that the county will establish a Flexible Spending Account. Flexible Spending Accounts have been around for ages. They enable you to set aside money pretax for child care or medical expenses. A quote has been received through A J Gallagher from a company that does a lot of business here in town. There is a monthly fee involved, but the savings to us comes from not having to pay IMRF, SS, State or Federal taxes on those wages that are set aside.

Mr. Ashby asked what the cost was. Ms. Reed said it is \$3.95 / month / participant. The fees should be offset by the savings in SS, etc... The fee is a 3rd party administrator fee so we don't have to administer it.

Ms. Little made a motion to forward the resolution on to the full board with the recommendation to approve, seconded by Mr. Dudley and the motion carried 6 -0 with Mrs. Cox voting present.

Board of Review –No report
Supervisor of Assessments – no report
GIS – no report

Mr. Tanner was unable to attend, but left information saying that the 2015 values had been published in Sunday’s paper and the due date for appeals is at the end of the month.

Treasurer
Macon County Board Resolution to Execute Deeds to Convey Property on which Taxes were Delinquent

Motion to approve forwarding to the Consent Calendar with recommendation for approval made by Mr. Ashby, seconded by Ms. Little and motion carried 7-0.

CITIZEN REMARKS – PUBLIC COMMENT - None

OLD BUSINESS - None

NEW BUSINESS
Macon County Board Resolution Approving Terms in Lease Agreement between Macon County Board of Health and Decatur Public Building Commission

Mr. Baggett explained that this resolution pertains to a draft lease agreement. The working group consisting of Mr. Baggett, Mr. Randy Waks, Mr. Ed Booth, Ms. Katy Anderson and Mr. Jerry Lord who had been meeting on this. There is still a little bit of going back on some language in the draft. The language is not substantive, but is just dotting the I’s and crossing the T’s. A final meeting is scheduled for Wednesday afternoon where there will be a final draft. This resolution is for the County Board to approve the terms, but not the lease itself between the Board of Health and the Decatur Public Building Commission so that the PBC will be buying the Health Department and then leasing it back to them over a term of 20 years.

Mr. Greenfield asked if the final draft would be ready for the County Board meeting. Mr. Baggett said the resolution will not be changing. The draft of the contract of the lease agreement is anticipated to be finalized Wednesday afternoon. It was thought to be final about a week and a half ago, but Mr. Waks found a couple of items in it that he wanted to make sure that he and Mr. Ed Booth had completely agreed upon. They are not substantive and it will not change the terms of the agreement. It is just some polishing the language. Mr. Greenfield asked if it would be the final draft that will be presented to the County Board. Mr. Baggett confirmed that it will absolutely be the final draft that goes before the County Board.

Mr. Dudley made a motion to forward the resolution with the final draft on to the full board with recommendation to approve, seconded by Ms. Little.

Chair Dunn asked what the rest of the timeline was.
Mr. Baggett said it would go before the DPBC on Thursday of this week.
It will go before the Board of Health on the 3rd Tuesday of September.
The full County Board will hear it next week.

Chair Dunn asked it needed to go before the City at some point. Mr. Baggett said the City would have an opportunity to look it over and it is up to them to decide what, if any, action it will take on it. Chair Dunn asked if that would be after all the entities approve of it. Mr. Baggett confirmed.

The motion carried 7 -0.

Circuit Court

Macon County Board Resolution Approving Increase in Appropriations in the Circuit Court's FY15 Budget for Expenses Fees in Certain Appeals

Judge Webber explained that this resolution represents a request for a supplemental appropriation to the appeals line for payment to Monica Hawkins who is a contract attorney for various appeals. This is a case where a person was determined to be sexually dangerous, has completed their criminal sentence and now has been civilly committed. It is one of those unfunded mandates. Since it is not a criminal matter, neither the Public Defender nor the Appellate Defender will take the case. That has been made clear on several occasions. By prior Board direction, these are not included in the budget and are paid on an ad hoc basis.

Ms. Little made a motion to approve forwarding the resolution on to the full board with recommendation to approve, seconded by Mr. Ashby, and the motion carried 7-0.

Probation Department

Macon County Board Resolution Approving Revenue in the Macon County Mental Health Court

Mr. Berter explained that they receive money from the Macon County Mental Health Board. They have changed their fiscal year to July 1st thru June 30th. This is a timing issue because of the dates the county's fiscal year runs. This shows the funds from now until December 1st.

Motion made to forward the resolution to the full board with recommendation to approve by Ms. Cox, seconded by Mr. Dudley and the motion carried 7-0.

Treasurer - Budget Presentation

Mr. Yoder explained that he has 2 budgets.

General Budget -

The Treasurer salary is set by County Board

The other four people reflect a 3% contract pay increase.

The Hospitalization is based on 5 employees. He pointed out that even though he only has 3 employees that actually take the health insurance for the past 5 years, he has been instructed to pay for all 5. He said this always seems like a hit.

Maintenance of Equipment, Telephone, Travel, Legal Advertising & Postage is going to go up 2%, Printing, EDP, Training, Dues, Copy Machines, Materials, & supplies. Every year, there is always a slight increase on materials & supplies.

Ms. Little asked which 5000 lines are mandated by contract. Mr. Yoder said the Assistant Treasurer, Supervisor of Collections and the Assistant Deputy Collector. There are 3 employees under contract. Ms. Little clarified saying the Chief Deputy, other than Mr. Yoder, would be the only one that is not contract. Mr. Yoder confirmed. Ms. Little went on to ask if there are any other contracts such as maintenance or equipment agreements. Mr. Yoder said he has a maintenance agreement on the copy machine. That is the only one on the General side.

Chair Dunn asked why the copy machine figure went up when it appears that only \$550 was spent in FY14 with \$840 in the budget. However, he noticed that \$823 was spent so far in FY15. Mr. Yoder said he would be using the money before the year is out. He said he always runs very close on his budget. Chair Dunn asked if there was just one copy machine. Mr. Yoder confirmed saying that he had just replaced it last year. Ms. Little asked if that would be a contract and he then knew it would cost \$900. Mr. Yoder confirmed.

On line 7180, Fike & Fike and Zobrio are paid from this. He said he knew there would be an increase, but did not know how much yet. The Fike & Fike is used on the Collector's side and Zobrio is used on the Treasurer's side. Ms. Little asked when he would know what the cost on that would be. He was not sure.

Mr. Yoder said that with legal advertising, he would not know how many delinquent parcels he would have to publish until after the fact. It is 40 cents a line. Where the newspapers can tag you, and they're good at doing this is the commercial heading. They charge whatever they feel like charging. It is beyond my control.

Mr. Ashby said that Mr. Yoder's salary was going up by 6.99% . Mr. Yoder said that was by resolution.

Chairman Greenfield asked about the hospitalization line comments Mr. Yoder had made. Mr. Dudley asked Mr. Yoder if he put all 5 employees on like that just in case they decide to come on to the health insurance plan. Ms. Reed said that everyone gets charged the set rate for the number of full time employees they have. It's an average of the whole group because it is unknown whether people take single coverage, which is a lot cheaper than family coverage and we don't want hiring decisions made on who is going to take insurance and who is not to save us money.

Automation –

Line 5695 - Extra Help.

This year SS is there because on part time we have to take out SS on the county side.

There is no IMRF

Postage will go up some.

Line 9040 – Equipment – There are 3 tax teller computers that are all hand-me-downs that are falling apart and can't get parts for them. The plan is to replace them at a cost of \$1,800.

A large printer for printing tax bills is \$3,200.

The Tippin System is on a 2 year revolving plan @ \$12,380. That is being paid out of automation.

Automation is always a haphazard deal. Mr. Yoder said he never knows how much will be there. It is generated from mortgage companies and banks that are charged \$5 when tax bills are sent to them. It varies from year to year and comes in during the 1st installment, 2nd installment and some during the tax sale. It is spread out during the year.

Mr. Greenfield made a motion to approve forwarding the proposed budget on to the Display Budget. Ms. Little asked if the 3% cut had been made. Mr. Yoder said there was nowhere to get it. Chairman Greenfield said that they knew, coming into the budget that there would be 2 or 3 offices that can't make that 3% cut. The Treasurer's Office, unfortunately, is one of them. The Coroner will probably be another. He said he guessed they could make a motion to have him come back, but he didn't see the point in it. Mr. Dudley seconded the motion. Chair Dunn said he agreed with Chairman Greenfield. There might be a couple of places to cut a few dollars, but you're not going to get near 3%. Mr. Yoder said some good news is that in the last budget year, the Collector side generated \$413,592.92 that was transferred to the general fund. That is done on an ongoing basis. Ms. Little said she understands the department, along with the County Clerk, funds the general fund. She said her concern with passing it straight through to the Display Budget is that there is a 3% raise included that is not contractual and even though she's not saying it should be cut, but by sending it on to Display with a 3% non-contractual / non-obligated increase in it, a door has been opened for everyone else they are making come back to say, "oh, everybody who is not under contract is going to get a 3% raise" because Mr. Yoder did not get close to the 3% cut and we allowed that raise. She said that is her concern and she is not saying anybody should not get 3%, she is saying that they are breaking precedence. Mr. Yoder offered to take the 3% off. Ms. Little said she was not asking him to do that, but that is her concern. Chair Dunn asked if Mr. Dudley wanted to withdraw his 2nd. Mr. Greenfield said he was not going to withdraw his motion.

The motion carried 4-3 with Mr. Greenfield, Mr. Dudley, Ms. Cox and Mr. Mattingley voting yes and Ms. Little, Mr. Dunn & Mr. Ashby voting no.

Auditor - Budget Presentation

Ms. Reed said she made the 3% cut. The budget is composed of the Auditor's Office, HR Department and a little bit in the insurance fund.

Auditor's –

There is a 3% salary increase in each category.

There was a little extra money in the Chief Deputy line from last year before the position was filled.

The Auditor's salary is set by the County Board.

The Extra Help line was cut due to not having been used for a couple of years. A little was left, just in case.

Hospitalization is for 5 employees.

Expenses have been adjusted up or down slightly according to what is going on this year. Line 7180, EDP was taken down \$3,500. The amount used for licensing fees for the payroll software has been about \$10,500. Ms. Reed said she hopes nothing major will happen.

Training was taken down a little. It hasn't been used, but she plans to send some people to get training in different areas.

Line 7240, is down by \$2,800 because it is for a charge that is incurred every other year for an actuarial evaluation for the Other Post-retirement Employee Benefits or OPEB which produces actuarial numbers that are included in the audit. That is a little savings for this year.

Equipment in this year's budget is at \$8,000. That is for a new server. The current server is 8 years old and in need of replacement. That will be done before the end of this budget year and so \$7,200 was removed from next year's budget.

That is a 3% savings on this budget.

HR budget –
HR manager gets a 3% increase.

Health Insurance is for 1 person

Line 7180, EDP is currently for a license for People Track which is a Human Resource add-on module to the current accounting software. If & when a new accounting software package is purchased, this one will become a part of that. It is automatically a part of anything new we would buy. That license is not going to be renewed. It is not used to its full capacity anyway. Money is better spent elsewhere. That line is being decreased.

Lines 7195 & 7200 – Manager training and contractual services are used interchangeably for in-house seminars and manager training. Those are pretty important. Every quarter there is a manager/ supervisor training where, many times, outside speakers are brought in or some of the stuff is done ourselves. It brings everybody up to date about what is going on with FMLA, etc.. That line is being increased a little because this year more was spent.

Line 9040 – Equipment has \$800 in case a new desktop or computer or something is needed.

This budget is a decrease of 7.2%

Insurance Fund (Auditor's portion)

76% of the Insurance Administrator salary comes from the program maintenance line. The other 24% is in the Auditor's budget.

The Worker's Comp Administrator line is 16.7% of the HR Manager's salary. The rest of hers is in the HR line.

Line 6011 for FY15 says SS which is the uniform number used for SS. In the past, that insurance line has been for unemployment insurance. For Fy15, the line is \$45,000. It has been reclassified to a new line for next year. That is not a comparable item, so it has been taken out, but it is SS & IMRF for next year.

Mainly all that is in the Insurance Fund budget for the Auditor's office is partial salaries for 2 people, health insurance for one and fringes. Excluding the \$45,000 from the budget, this one had a small increase of about 3%.

That coupled, overall with the decreases from the other budgets, brings the total group to about 3%.

One other item Ms. Reed wanted the members of the committee to be aware of is that a new server will be purchased this year. That need will be met. The General Ledger and Accounting Package is old. It is called Fundware and is at the end of its useful life. They haven't told a sunset date for when they will stop supporting it, but it is probably within the next couple of years. She said they have been urged by Zobrio, which is the consultant for Fundware, to upgrade to their new product called Financial Edge. They have done a demonstration. CIC, Computer Information Concepts, has done a demonstration. Some other office holders have used CIC. Based upon those, the cost on a new package will cost between \$85,000 to \$103,000. That is a lot of money and it is not being asked for this year, but probably next year, they may have to come back and ask for funds to do that. Chair Dunn asked if the new programs being looked at are user friendly with the HR stuff. Ms. Reed said the HR module is included and everything will be fully integrated. Now, People Track is an add-on and not as easy to use.

Ms. Little made a motion to approve forwarding the proposed budget on to the Display Budget, seconded by Mr. Greenfield, and the motion carried 7-0.

CLOSED SESSION - None

NEXT MEETING – Tuesday, September 8, 2015 @ 5:15 p.m. – Budget Hearing #3
Tuesday September 15, 2015 @ 5:15 p.m. – Budget Hearing #4
Tuesday, September 22, 2015 @ 5:15 p.m. – Budget Hearing #5
Monday, September 28, 2015 @ 5:15 p.m. – Regular Finance Mtg

Chair Dunn said that the 22nd of September is the last hearing and the regular finance committee meeting is on Sept 28. Carol should be able to have all the proposed budgets figured up and the revenue projections in and he would like to be able to deal with what is going to be done with the budgets. He said he didn't know that they would have to bring everybody back, but encouraged all committee members to be present on the 28th when the picture of the expenses and revenue are seen and ideas of what to do with the budgets are discussed.

ADJOURNMENT

Motion to adjourn made by Ms. Little seconded by Ms. Cox, the motion carried 7-0, and meeting adjourned at 5:50 p.m. Minutes submitted by Jeannie Durham, Macon County Board Office