

FINANCE COMMITTEE MEETING
Special Meeting – Budget Hearing #5
September 22, 2015 @ 5:15 P.M.

MEMBERS PRESENT

Jay Dunn
Patty Cox
Tim Dudley
Linda Little
Greg Mattingley

MEMBERS ABSENT

Kevin Greenfield
Keith Ashby

COUNTY PERSONNEL PRESENT

Sheriff Schneider
Lt. Jon Butts
Sgt Louann Hollon, Animal Control
Carol Reed, Auditor
Kris Horton, Animal Control
Bruce Bird, Highway
Kathy Powless, Veterans Administration
Judge Webber
Dennis Crowley, Mental Health Board
Tim Haworth, Mental Health Board
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 budget hearing meeting on 9/15/2015 was made by Ms. Cox seconded by Mr. Mattingley and motion carried 5-0.

BUDGET PRESENTATIONS

Highway

Chair Dunn asked Mr. Bird if he had made the 3% cut. Mr. Bird said he made 7.3%. The County Highway cut is 2.3% with a revenue enhancement of 5% for an effective cut of 7.3%.

Ms. Little asked where more money would come from. Mr. Bird said he can move around how much MFT is used for salaries and that is the biggest part of it. Ms. Little asked if all the increases were contractual. Mr. Bird said he had no increases included in the proposal because they have a contract that expires November 30th. Those will have to be installed later. Mr. Bird said he had some non-union personnel, but their raises were not included either. They will be put in afterwards as well. The 7.3% effective cut will go down somewhat, it is just unknown at this point.

Ms. Little made a motion to approve forwarding the proposed budget on to Display, seconded by Mr. Mattingley and the motion carried 5-0.

Sheriff / Jail / Courtroom Security

Sheriff Schneider reported that the General Obligation in FY15 was \$7,646,720.38 versus the FY16 at \$7, 416,307.94. A 3% cut would be \$229,401. The actual cut is \$230,412.

Ms. Little asked if the 3% cut included all the contractual raises and obligations. Sheriff Schneider said there are contractual raises that are included along with step raises that are also contractually obligated. There are some that are less than 3%, but it was to make sure they equal out with the other union employees.

Chair Dunn asked about the bottom line on the LEST budget saying it looks like it might be a little higher. Sheriff Schneider said the revenues appear to be up, but there are questions regarding the totals from the Treasurer's office. He said he thought he had some inaccurate information and said he needed better numbers to give a projection. He said they would love to say that the last quarter with the pipeline people being here along with the Farm Progress Show, they would hope to see an increase in the revenue coming in, but it is a big question mark regarding that.

Chair Dunn said that with the projection to spend a couple thousand more than last year, if the revenue is not there, what is the back-up plan? Sheriff Schneider said he would have to come back because the majority of the budget is salary, so it would be very difficult to cut any more. If that would come back, assistance would be needed. The increases that are seen are hospitalization.

Mr. Mattingley commented that he felt the Sheriff has done an excellent job considering the additional expense the Sheriff's Department has encountered because of having to deal with the City's Dispatch and Records situation. That has added layers of extra expense that were not offset even when he didn't replace those people. Chair Dunn said he thought there were also added expenses resulting from the City Court.

Mr. Mattingley made a motion to approve forwarding the proposed budget on to Display, seconded by Ms. Little and the motion carried 5-0.

Circuit Court

Judge Webber said he had been unable to make the 3% cut, but he did not include any raises for court staff and had zeroed out many of the discretionary lines or kept them the same as FY15. He said there are a number of mandates in the budget. Legal Advertising had to be increased by \$500 because it has been used more this year. CASA dues of \$15,000 has been eliminated. The big expense was the increase in health insurance amounting to \$17,000.

The 3% cut with the increase in health insurance of \$17,000 odd dollars, would amount to \$34,000. The total reduction is \$8,600 with \$26,350 in decreases and \$17,776 in increases which was almost all health insurance except the \$500 for electronic research which is a contractual matter.

Chair Dunn said that Judge Webber's budget had been discussed in detail at the Justice Committee meeting. He has made an approximate 2% cut which involved cutting the CASA program which has been at \$15,000 for the past couple of years. His is one of the budgets where there is just not much wiggle room. The cost of the raises is \$7,176 which would still put his budget at less than last year. The Public Defender's raises were approved at the last meeting. Mr. Dunn said that the Judge has been very good at scrutinizing his budget and dealing with the requests of the Finance Committee as best he can, but we've just about taken

everything we can. Ms. Little said she was appreciative of the effort that went into it, but she would not support a budget with no raises. Mr. Mattingley agreed.

Mr. Mattingley made a motion to approve forwarding the amended proposed budget to include the \$7,176 in raises on to Display, seconded by Ms. Cox and the motion carried 5-0.

Judge Webber then presented the Law Library budget and explained that it is self-funding from library fees. He said that he had zeroed out the copy machine and equipment, provided for no increase for the Librarian. The only increase would be for her hospitalization and the contractual increase on the electronic research. Chair Dunn inquired as to whether there is a fund balance. Ms. Reed said the fund balance has \$165,000.

Mr. Mattingley made a motion to approve forwarding the amended proposed Law Library budget to include the raise for the Law Librarian, seconded by Ms. Little and the motion carried 5-0.

Animal Control

Chair Dunn asked if the 3% cut had been achieved. Ms. Horton said they have a 5.8% cut.

Ms. Little made a motion to approve forwarding the proposed budget on to Display, seconded by Mr. Dudley and the motion carried 5-0.

Chair Dunn thanked both Ms. Horton and Sgt. Hollon for the great job they're doing. He said the Sheriff had forwarded a report on the adoptions.

Mental Health Board

Dennis Crowley explained that they were not asking for a budget approval, but rather for a levy as recommended by the EEHW Committee of \$2,445,594. It is the same amount as the two previous years. The owner of a home assessed at \$120,000 in the county would pay \$60 which is exactly what they paid in 2008. He said they are growing and expanding due to private contracts. Every single dollar of the local levy that is approved supports local services. No general fund dollars of the county are used. The one State contract is federal dollars that flow through the state. The court has required payment so there is no trouble with state funding. The Care Coordination contract was stopped by the state, but was picked up by Health Alliance.

They are looking at about a 12% expansion. The fund balance is about 3.5 months and there is about 2.5% raises.

Mr. Dudley made a motion to approve, seconded by Mr. Mattingley and the motion carried 5-0.

Veteran's Administration (2nd Review)

Chair Dunn explained that this budget is not under general fund, but is a levy. She is not asking to raise the levy. It is not at the top level or maxed. The budget has been decreased a little over last year. Mr. Dunn advised Ms. Powless to meet with Ms. Reed and stay informed about the fund balance from year to year and where the tax levy is. Mr. Dudley clarified that part of the expenses would be taken from the fund balance to meet the 3% reduction. Ms. Powless confirmed.

Mr. Dudley made a motion to approve, seconded by Ms. Cox.

Ms. Little said her concern is that if some of the fund balance is going to be used to make this budget, how long can that be kept up. She explained that the reason she is concerned is because the committee has talked about it on other budgets about the possibility of the state freezing property taxes. In that case, it doesn't matter how much more you can levy, you may be completely out of luck next year with any way to raise funds. Is it worth looking into raising the levy this year. Ms. Reed said that right now the levy is at .00957. Ms. Little said it could be adjusted up until the time the levy is set. Chair Dunn asked Ms. Reed & Ms. Powless to look into the past 2 to 3 years to get an idea on where it's going. Mr. Dudley asked how much Ms. Powless was going to take out of the \$57,000 fund balance. Ms. Powless said around \$1,200. Ms. Little asked what the annual budget was. Mr. Dudley said \$162,000. Ms. Little said it just couldn't continue for very long and she would like to see some numbers come back for increasing the levy this year instead of wishing next year that it had been done this year. Mr. Dudley pointed out that its only \$1,200 out of \$57,000. Chair Dunn said the fund balance used to be well over \$100,000. Ms. Little added that if she had more in her working area, there would be more services and more things she would be able to do. Chair Dunn agreed and Ms. Little said she would really like to hear what could be done and reiterated her concern that if the state freezes, next year could be a problem. Ms. Reed said the rate is at .00958 with the maximum rate being .03 so it is not even close to where it could be. Chair Dunn requested they meet with Mr. Bean and try to figure out some different scenarios. Ms. Little said she wasn't saying to increase it to the max, but wondered when the last time it had been raised.

Chair Dunn clarified that the budget goes on display October 13 and asked that something be put together for the September 28 Finance Committee meeting. Mr. Dudley commented that the levy has not been raised since he has been on EEHW, approximately 10 years ago. Mr. Dunn commented that services have increased since Ms. Powless took over and they've done a fabulous job. Chair Dunn requested something be presented at the Finance Committee meeting on September 28 and they would look at trying to raise it some depending on how much it will raise and how the fund balance has been going for the last 3 to 4 years.

CITIZEN REMARKS – PUBLIC COMMENT - None

OLD BUSINESS - None

NEW BUSINESS - None

CLOSED SESSION - None

NEXT MEETING - Monday, September 28

ADJOURNMENT - Motion to adjourn made by Ms. Little, seconded by Mr. Mattingley, motion carried 5-0, and meeting adjourned at 5:40 p.m.

Minutes submitted by Jeannie Durham, Macon County Board Office