

FINANCE COMMITTEE MEETING

April 4, 2016

5:15 P.M.

MEMBERS PRESENT

Jay Dunn
Kevin Greenfield
Patty Cox
Linda Little

MEMBERS ABSENT

Keith Ashby
Greg Mattingley
Tim Dudley

COUNTY PERSONNEL PRESENT

Mike Baggett, State's Attorney's Office
Josh Tanner, S of A
Steve Bean, County Clerk
Carol Reed, Auditor
Judge Webber, Courts
Ed Yoder, Treasurer
Bruce Bird, County Engineer
Lt. Butts, Sheriff's Department
Pat Berter, Probation
Dianna Heyer, Health Dept
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

Ms. Little made a motion to approve minutes of prior Finance Committee meeting, February 29, 2016 seconded by Mr. Greenfield and motion carried 4-0.

CLAIMS

Motion to approve the report of the Finance claims as presented made by Ms. Cox, seconded by Ms. Little and motion carried 4-0.

REPORTS –

Audit Sub Committee – no report

Auditor –

Ms. Reed distributed copies of the Macon County Accounting Manual and explained that the original had been created in 2002. It has had things added to it for several years. One of the requirements for the office is to submit the audit to other governmental units that provide funding to us. One of these is the Department of Justice. After reviewing the 2013 audit, the DOJ had a few questions on some procedures and recommendations made by the outside auditors. A couple of those questions involved recommending that this manual be reviewed and updated. The new accounting software will change some more things, but this revised version includes changes in procedures and the way things are done as of this past month. Copies are to be provided to the finance committee members and to the department heads that need them for grant reporting. The department heads will be asked to sign off that they have received it and the minutes will verify receipt by this committee and that verification will be sent to the DOJ.

Ms. Reported that the “rainy day fund” has been touched and gave an update saying that \$500,000 was taken on 2/1/16, 3/1/16 & 4/1/16 to supplement the general fund bringing the

total used to \$1.5 million. There is \$164,000 left in that fund. April is a 3 pay month, so towards the end of the month another struggle is anticipated. She said it is hopeful that some receipts will come in and help catch things up. She anticipates that at the end of the month, if borrowing is necessary, a temporary short term loan from the judgement fund will be requested.

Board of Review –no report

Supervisor of Assessments –

Mr. Tanner distributed a chart showing the difference between what was sent to the Board of Review and what the changes were. In 2015, the BOR reduced about \$12.8 million which is less than a percent. That is in line. It has been about ½ percent for the last 3 years.

He went on to point out the small increase in the assessed value compared to 2013 & 2014, but that is the assessed value, not the taxable value. There was an increased amount to the Disabled Veterans 70% or greater that went from \$5,000 off the assessed value to being completely exempt. In 2014, that was about \$900,000 in exemptions. In 2015, which is not yet final, it looks like it is about \$6.2 million. That is a pretty healthy increase. There are 245 of those exemptions. There is a bill that will lower the threshold from 70% to 30%. That would add another 100 or so. The number of people who are 70% or greater increased. It is a lot of paperwork to get one of these exemptions from Veteran's Affairs, but if you are going to be totally tax exempt, it is probably worth it. More people applied for it and obviously the exempt amount was significantly higher. That is the reason why it appears that we are losing assessed value. We are not losing assessed value, we are losing taxable value. The State Legislature is exempting the value faster than the community can create it. Homes and business buildings are being built and they are being assessed, but that value is being outstripped by the amount that the legislature keeps exempting.

GIS –no report

Treasurer

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

Ms. Cox made the motion to approve forwarding to the Consent Calendar with recommendation for approval, seconded by Mr. Greenfield and motion carried 4-0.

Ms. Little said she wanted to make the committee aware of a situation and the impact that Fike & Fike is having on several departments including the school district that ultimately took the hit and the impact it had on others who were asked to pay money back. She said it came to her attention because she serves on the Macon County Mental Health Board. One way of looking at it from the Mental Health Board's perspective is that we were not overpaid the approved budget. The question is, "why do we owe that money back?" They have not exceeded what the County Board approved as their levy. She said she read the limitation of liability Fike and Fike sent to the Treasurer, which says that the County acknowledges that the software is of such complexity that it may have inherent defects and is advised to test the licensed software thoroughly before relying on it. She said this is fine, except she had understood that the county was not notified that they were going to mess around with it. If we are not notified that they are

messing with the software, is the department obligated to have a sixth sense so they know when it is being messed with? She said she feels that this is a mistake on Fike & Fike's part that if they did not notify the county that they were messing with the software, how can we be held liable for testing.

Mr. Yoder said that Fike & Fike, in their contract, is not liable for a software glitch. He said the numbers balanced at the end of December. Mike Williams contacted the office in January to report that he was short about \$80,000. After investigation, the office found that after the software glitch, it overpaid different taxing bodies various amounts up to \$80,000 causing a shortfall on the Maroa School District. Mr. Yoder said that he has been in contact with the software provider and they found the mistake. Part of this happened when, in December, the Board signed off on a "sale & error" and accepted the payment from Happy Suites. It was in federal bankruptcy and when the payment was received, funds were distributed because it had been in limbo for quite a few years. At some point, something didn't go right when it started distributing those funds to the taxing bodies and they got overpaid. All of them paid back with the exception of the City of Decatur and the Mental Health Board. The other option is to withhold the funds they were overpaid in the next tax cycle. Ms. Little said that would be in violation of the budget that was approved by the County Board for the Mental Health. The Mental Health Board has not been overpaid in revenues. She said her concern is that when she started questioning this several months ago, she was told that they had tinkered with or upgraded the software, but the Treasurer's Office was not aware of it. The question is how this line in the warranty limitation of liability be honored if they are not going to tell you when they are messing around with it. Every time they open our stuff, the office should know it so tests can be run and it can be kept on top of. We would just need to pick someone in the department to do these calculations and save the money so when it is messed up, we can fix it with the money that we've been paying to Fike & Fike.

Chair Dunn asked Mr. Yoder when the problem had occurred. Mr. Yoder said he thought in January. He explained that this is the first time since he became Treasurer that a software glitch had occurred. Chair Dunn asked Mr. Baggett when he had become aware. Mr. Baggett explained that shortly after it happened, Mr. Yoder sent him an email informing him of the error, but before he had had a chance to dive into, the Treasurer had advised the taxing bodies that we were requesting repayment of any funds that had already been dispersed in error. Mr. Baggett said he has not reviewed the contract with Fike & Fike as it has not been forwarded to him. He said he has not been involved in it since the Treasurer's letter went out to the taxing bodies. Chair Dunn addressed Mr. Yoder saying that this happened in January, this finance committee is the oversight, now it's April and they are just now becoming aware of it and only because Ms. Little got involved through the Mental Health Board. This is serious enough that it should be in the monthly report at the finance committee meeting. He said he would appreciate Mr. Yoder reporting issues of this type to the finance committee and make them aware. He said the attorney also needs to be made aware.

CITIZEN REMARKS – PUBLIC COMMENT - None

OLD BUSINESS - None

NEW BUSINESS –

County Board

Macon County Board Resolution Setting Salaries of Office Holders Elected 2016 – 2020

Chair Dunn presented several options on salaries for the Office Holders ranging from a 0% raise over the 4 years and up. The present salary is \$83,536.93. He said he and Chairman Greenfield have discussed the finance issue and when Carol said she “touched” the rainy day fund, he thought she had actually decimated it. Over the last 6 years or so, the county has just kept spending more money and to get a balanced budget, we’re going to have to take some drastic steps this year and next year and possibly after that.

Ms. Little made a motion to approve forwarding the resolution with no increases over the next four years on to the full board for consideration with the recommendation for approval, seconded by Ms. Cox and the motion carried 4-0

County Clerk

Macon County Board Resolution Amending the County Clerk’s FY16 Budget for Purposes of Refunding Certain Take Notice Fee Charges to Tax Buyers

Mr. Bean said that he had learned at a meeting in January where he had found out that Bellweather’s recommendation to adopt an increase in a take notice fee that was not allowed. He said he has worked with Mr. Baggett and Ms. Reed to find out how much is owed in refunds to the various tax buyers. There is not an expenditure line to pay back money. This resolution creates a line for \$4,288 to refund the over charges.

Ms. Little made a motion to approve forwarding the resolution on to the full board for consideration with the recommendation for approval, seconded by Ms. Cox.

Chairman Greenfield asked if this comes out of the general fund. Mr. Bean said yes. The fees collected by the County Clerk go into the general fund and this would come out of those fees, so it would come out of the general fund. He said the good news is that they increased other fees for automation a month earlier than anybody else and took in almost \$2,000 this month. The motion carried 4-0

Mr. Bean went on to report that they had gotten the multiplier from the state a month ago, sent out the notices on April 1 for the overlap counties which is 20 plus counties. There is a 10 day wait to get those back. What was asked for in a levy for the general fund will not be the full amount asked for because based off the maximum levy you can get with the amount of taxable value, it will be about \$50,000 short of what you asked for. There is a maximum rate for some taxing bodies like the county.

Chair Dunn asked how the election had gone. Mr. Bean said that we rely a lot on the touch screen which gives a lot of ballots to use. The amount of ballots that are sent out has been cut down to save on costs. We are at a point where our equipment is about 12 years old and most of the software and hardware is over 20 years old. There is other equipment, but it would be about ½ million dollars to replace it. This is going to have to be done in the next few years. The technology has gone far beyond us. By and large, if compared to other counties, our vender’s website ran fairly well and we had a pretty decent day. Mr. Dunn asked about the change-over and whether it could be done in phases or had to be done all at once.

Mr. Bean said it can't be replaced in parts or the two programs would have to be able to work together. People would be voting under different procedures.

Highway Department

Macon County Board Resolution Awarding the 2016 Annual Drainage Project

Ms. Cox made a motion to approve forwarding the resolution on to the full board for consideration with the recommendation for approval, seconded by Mr. Greenfield and the motion carried 4-0

Macon County Board Resolution Approving Funds for the Purchase of Right of Way Parcel 25 from John & Lisa Dowson for CH41 Wyckles Road Whitetopping Project, Section 14-00200-03-RW

Ms. Little made a motion to approve forwarding the resolution on to the full board for consideration with the recommendation for approval, seconded by Mr. Greenfield and the motion carried 4-0

Macon County Board Resolution Awarding the Building 2 Tuckpoint and Repair Project

Ms. Little made a motion to approve forwarding the resolution on to the full board for consideration with the recommendation for approval, seconded by Mr. Greenfield and the motion carried 4-0

Circuit Court

Macon County Board Resolution Authorizing Assessment of a Fee for the Support of a Residential Mortgage Mediation Program

Judge Webber reported that this is a \$75 fee and would be in addition to an Attorney General grant and will be administered by the University of Illinois College of Law Community Preservation Project. The point would be to make the program self-sustaining for at least 3 years. It would be imposed upon lenders only filing a residential mortgage foreclosure action starting May 2.

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

Probation

Macon County Board Resolution Approving an Increase in Probation Fees

Mr. Berter explained that they would like to raise the probation fees from \$25 to \$35. The current rate of collection is 51%. The majority of the cases are 24 month sentences. The increase should bring in about \$130,000 additional money. In 2015, there were 1,100 new probation cases that went through the department.

Ms. Cox made a motion to approve forwarding the resolution on to the full board for consideration with the recommendation for approval, seconded by Ms. Little.

Ms. Little asked if the \$10 raise would be enough or if they would be back in 6 months asking for the allowed \$50. Mr. Berter said it would be enough. He said they are working to make the expenses equal the amount brought in. They feel the current year will be the worst ever as far as the collection rate, but they will get to goal. Last year, \$16,000 more than was spent was brought in. He said they didn't want to ask for such a large increase with the economic times as they are. There has not been an increase in the 20 years he has been with the department and said they should be able to sustain. Ms. Little said that was her next question. With the current 51% collection rate, is raising the rate going to drop that. Mr. Berter said they'd just have to see, but thought they'd be ok. Ms. Little said she didn't want to see the tab being picked up by a few people. Chair Dunn asked for another report in a year. The motion carried 4-0

Sheriff's Department

Macon County Board Resolution Approving Increase in Appropriations to the Sheriff's FY16 Budget and Approve Contract with the Macon County Sheriff's Deputies #144 Bargaining Unit

Lt. Butts explained that this contract was reopened last year and renegotiated because the insurance was raised. With that, they were able to establish a sick time buyout for the deputies so that at the end of their career, there won't be a large cost to the county as it is now.

This is a 1% backpay from July 1, 2015 thru November 30, 2015; a .25% increase for 2016 from 2.75% to 3% and then an additional 2 years at 3% for FY17 & FY18. Ms. Little asked if we can afford it. Lt. Butts said he had looked at the line and it has a cushion which should provide enough funds to get this through FY16. He said he did not think there would have to be any reclassification. The re-appropriation would be through November of this year. Ms. Little asked again if we could afford the 3% for the next two years. Lt. Butts said he hoped so and said there will be tough decisions to be made within the office and that they understand this, but it was a negotiated contract between the County Board, the attorney, the FOP, and the Sheriff's department. He said they would have to do what they have to do to fulfill the contract.

Ms. Cox made a motion to approve forwarding the resolution on to the full board for consideration with the recommendation for approval, seconded by Mr. Greenfield.

Mr. Dunn asked when the negotiations had started. Lt. Butts said in December or January. Chairman Greenfield said they had to get IMRF out of it or it was going to kill us. He agreed that he didn't like it either, but it was going to be worse so they decided to give a little to get that out. Mr. Dunn said he and Chairman Greenfield had discussed several scenarios on the situation and some departments are going to have to cut people. Setting this 4 year salary increase for the 4 elected officials at 0% should show people how serious it is. Ms. Little said this union does not have to pay attention to that. Mr. Dunn agreed that was true for 2 years as it is just a 2 year contract. He said they need to start looking at the idea that if unions want the increase, we're going to have to cut personnel to pay for it. There is no extra money.

The motion carried with 3 in favor, 0 opposed and with Ms. Little marked as present.

Macon County Board Resolution Approving Needed Single Purpose K9 Units to Each Patrol Shift of Macon County Sheriff's Office Patrol Division

Lt. Butts explained that a generous donation has been received in the amount of \$222,984.54 from the Buffett Foundation which will allow a single purpose K9 for each shift that would be assigned to a handler. It would be for narcotic detection, article searches, missing people, etc. This includes the purchase of the vehicle, equipment and two K9's. The 1st & 3rd shift deputies have been appointed to these positions. The 2nd shift has not been appointed. The first K9 was found at the shelter. It is currently at the K9 academy getting certified. This will allow a K9 for every shift. To sustain the program, it would come from the drug account which will pay for the health of the K9, dog food, and upkeep.

Ms. Cox made a motion to approve forwarding the resolution on to the full board for consideration with the recommendation for approval, seconded by Ms. Little.

Chairman Greenfield asked about the difference in the dogs used. Lt. Butts explained that they do have dual purpose dogs that are used for apprehension and drug detection, but didn't see a need for additional apprehension dogs. In order to be more affordable and practical, single purpose dogs were chosen. No additional personnel is going to be hired. Ms. Little expressed appreciation for the use of a shelter dog.

The motion carried 4-0

EMA

Macon County Board Resolution Entering into an Intergovernmental Agreement with the Village of Warrensburg for the Installation of Radio Equipment by the Macon County Emergency Management Agency

Lt. Root explained that there is currently radio equipment on an older water tower. This is an agreement to remove that equipment and move it to the new water tower.

Ms. Cox made a motion to approve forwarding the resolution on to the full board for consideration with the recommendation for approval, seconded by Mr. Greenfield. Ms. Little asked if we have the money. Lt. Root said the money was appropriated for the move in the FY16 budget as a capital improvement plan. No additional money is needed as a result of this agreement. The motion carried 4-0

Health Department

Ms. Heyer reported that she was present as a result of the letter from Chairman Greenfield and Finance Chairman Dunn requesting a report to the committee on positions that need to be filled.

The Environmental Health Department has one open position for a sanitarian. 711 food establishments in Macon County plus temporary events such as the Macon County Fair, Decatur Celebration, Farm Progress, Pony Express Days, Blue Ribbon Days, etc... Per sanitarian, 333 inspections are covered to be in compliance with the local Health Protection Grant. These are not just routine inspections and the number does not include any critical violation follow ups or

any 30 day follow ups. There are currently 3 field inspectors. Dividing the 333 inspections a fourth inspector would do among the current 3 sanitarians would add an additional 111 inspections per inspector if this position were not filled. If it were divided among the 3 inspectors and the Environmental Health Director, that would be a minimum of 84 additional inspections per person. This does not include any of the seasonal stands. Additional duties for the department include septic, well, and closed loop inspections which will be increasing in numbers very soon as these programs begin to pick up. In order to be a certified health department, these tasks have to be performed. This is a budgeted position.

Mr. Baggett explained that a vote cannot be taken as it is not on the agenda and formal action cannot be taken. Ms. Little expressed appreciation for the information, but said she does not feel that this committee needs to vote anyway since the position is in the budget and they have their own board to help them.

Ms. Heyer went on to explain that they had written for a grant through the Illinois Children's Healthcare Foundation for the Macon County general program. This is not a state grant. The purpose is to focus on children's special care needs. She said they have a hospital dentistry program where the doctor goes to St. Mary's Hospital and children that may have special needs or are not able to sit still in the chair are put to sleep and she performs the dental services they need under anesthesia. Macon County Health Department is the only program in Central Illinois, other than Dr. Jerger, that addresses these needs. This is the only program that solely helps kids that are on Medicaid or without insurance. Within this grant, the hospital program would be enhanced. \$100,000 would go toward the funding for another part time dentist and \$27,000 would go toward medical equipment needs. The award was for \$127,000. The dentist would do an extra day in the hospital. Prior to receiving the letter from the chairman, a contract agreement had been done with another dentist that was seeking another day of dental service. She would come on Wednesdays while the other dentist is at the hospital. She will be starting on Wednesday. There is another dentist candidate with 5 years of experience that they would like to also hire for 1 to 2 days per week to help build the program. The current wait is sometimes 2 to 4 months. This would increase the capability to see more patients and would hopefully increase revenue too. If this happens, a dental assistant would need to be hired for 1 to 2 days to assist.

Chairman Greenfield asked about the grant and whether any gift cards or incentives to come in are part of the program. Ms. Heyer said no, but this grant is only for a year, so we have to find a way to be able to build the revenue in order to keep the contract dentists past the year. The grant specifies that \$100,000 has to be used toward a dentist. So, the one dentist for one day a week would be around \$40,000 for the year. More for another dentist for another 1 to 2 days a week must be spent. The \$27,000 is for equipment upgrades.

CLOSED SESSION - None

NEXT MEETING – Mon, May 2, 2016

ADJOURNMENT

Motion to adjourn made by Ms. Little seconded by Ms. Cox, the motion carried 4-0, and meeting adjourned at 5:50 p.m. Minutes submitted by Jeannie Durham, Macon County Board Office