

**FINANCE COMMITTEE MEETING**  
**Special Meeting – Budget Hearing #2**  
**August 22, 2016 @ 5:15 P.M.**

**MEMBERS PRESENT**

Jay Dunn, Chair  
Patty Cox  
Kevin Greenfield  
John Jackson  
Linda Little  
Greg Mattingley

**MEMBERS ABSENT**

Tim Dudley

**COUNTY PERSONNEL PRESENT**

Lois Durbin, Circuit Clerk  
Doug Harlan, U of I Extension  
Mike Baggett, State's Attorney's Office  
Jay Scott, State's Attorney  
Carol Reed, Auditor  
Lisa Wallace, Deputy Auditor  
Steve Bean, County Clerk

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 8/8/2016 was made by Mr. Mattingley, seconded by Mr. Greenfield and motion carried 6-0.

**Budget Proposals**

***Circuit Clerk:***

Ms. Durbin explained that there is one grant in the general fund that comes in each year from Health Care & Family Services. It has been reduced again this year by \$1,160. The big change on the first page of the general fund budget is the clerk typist line (5455). Some staff has left to either take another job or moved away. They had been here for many years, so the replacements were hired at quite a bit less salary resulting in a savings there along with the move of some salaries to other funds. This is about a 6 1/2 % cut on page one.

The jury budget, also in the general fund, remained pretty much the same with only a couple of differences. Judge Webber has reduced the number of jury weeks for next year from 20 to 16 resulting in savings. Ms. Durbin has also received confirmation from the City of Decatur that they will reduce the parking costs from \$7,200 to \$4,800 a year. That was an additional \$2,400 savings. This is about a 14% cut on page 2.

The automation fund, page 3, has an additional salary in it. The new collection agency is bringing in more money, so the automation fee line (4120) was raised. Everything else stayed the same there.

The document storage fund, page 4, has had some additional salaries added to it. The document storage line (4820) was also increased due to the increased collections by the collection agency.

Restricted Cash, page 5, also has a salary added to it. This fund had been depleted over past years, but has been building up over the past couple and a salary can be taken out of it for next year. Postage was raised due to a lot of tax cases coming in.

The clerk op fund was left the same as last year.

The jury agency fund shows a reduction due to the reduction in the number of jury weeks.

Mr. Mattingley asked about the restricted cash fund and how long it would be able to carry the salary that has been put in it. Ms. Durbin said it would probably be just one year with the hospitalization and all. That is the \$36 a year fee that is collected as the child support maintenance fee. Ms. Durbin said she has been sending these out for about nine years, but this year, little notes were put on the notices that they would be sent to collections if not paid. She said they've been coming in and paying as a result. She said she knew she could pay the salary this year, but would have to wait and see about next year.

Mr. Greenfield asked how much money was collected. Ms. Durbin said it is over a million. They've done a very good job. The fees that are collected go to different areas. They are past due fines or fees and everybody gets their piece. Some go to the State's Attorney, some to the Clerk's office, etc... He commented that they are doing a great job.

Mr. Greenfield made a motion to approve forwarding the budget on to Display, seconded by Ms. Little, and the motion carried 6-0.

***State's Attorney:***

Mr. Baggett explained that they have a signed contract for the 708 Deferred.

The State's Attorney's salary reimbursement is statutory

The Appellate Prosecutor Drug Prosecutor Grant (line 4331) has potential funding problems in the federal fiscal year 17 beginning October 1. Based on the last letter from the Appellate Prosecutor's Office, they had a meeting and the State's Attorney's Office is awaiting word from them as to whether there are going to be funding problems. If there are, adjustments will have to be made to the budget. The grant pays a part of a salary for one of the Assistant State's Attorneys.

The Attorney General's Victim Witness (Line 4332) has been moved to its own fund (073) so this shows a decrease, but it is still coming in in the same amount and also goes to pay the salary of one employee.

As for the Victim Impact Panel fees from collections, Mr. Baggett explained that he is still working with the Circuit Clerk in getting a memorandum of understanding between the State's Attorney's Office and the Circuit Clerk's offices in order so that the funds they have been holding for the State's Attorney's Office from collection through the IDROP program can be released to us.

Line 4991, cellular phones are being sold to a wholesaler and getting more money for the phones than it costs to purchase new phones under contract.

Mr. Baggett said that \$140,000 plus has been cut from the personnel lines in order to reach the 7% cut request from the Finance Committee. Almost \$24,000 was saved in the hospitalization line as a result. Because those cuts are in excess of the \$130,000 plus that they were asked to

cut, increases were made to some commodity and supply lines to bring them back up to levels that are more in line.

There is a signed contract with the State for the 4D that covers up to 2 attorneys and up to 3 full time and 1 part time staff members. The health insurance costs have been lowered because of a problem in getting the state to reimburse health insurance expenses for child support employees because some of these employees do not actually take the county's health insurance. The State refuses to acknowledge the cost allocation that the Auditor does with respect to how the departments are billed for it. The state has to meet its own federal requirements. Mr. Baggett said he had fought the battle and is not going to win. They have the same issues with receiving reimbursement from the federal government that we have with getting it from them. Part of it also has to do with the fact that there is one Assistant State's Attorney who is nominally assigned to child support but is working 80% of his time in the criminal division. 80% of his salary is being paid out of the general fund and that is where most of his health insurance will be paid from. Additionally, there was a receptionist working in the 4D unit who has been moved to the Traffic & DUI Unit. She has not been replaced in that unit and she was one of the 3 support staff counting against the insurance. So, the insurance has been lowered to be more accurate, but at the end of the day, the Board needs to be aware that they may be called to make a decision as to how they want to proceed that there is a situation here. The state is telling us they will not reimburse for fringes. This is a grant program where the county should not be on the hook for it because that is the purpose of the grant, but the state is not playing the same game. Chair Dunn asked if the grant could just not be taken. Mr. Baggett said it can be refused. If that were to happen, the Attorney General's Office is tasked by Statute to collect child support payments throughout the state and does it throughout most of the state, however, Mr. Baggett said he had been given information that our Child Support Enforcement Unit is better at getting child support payments than the Attorney General's office. We have dedicated staff, and in spite of the fact that the county is picking up some of this cost, there are people out there who rely on Child Support Enforcement and if it were turned over to the state, they would maybe not get as good a return. It is a balancing of interest. Mr. Mattingley asked if private attorneys had pretty much abandoned enforcement of child support actions or are they still involved in it. Mr. Baggett said he was not aware of any private counsel that engages in child support enforcement. There are family cases that are suing for additional or modified support orders, but not arguing for enforcement of orders that are already on the books. Mr. Mattingley commented that it used to be pretty common. Mr. Baggett said there may be a revenue stream for the private bar out there that they are not going after, but he has never heard of it. Mr. Mattingley asked Ms. Durbin if she had any information. She said she would have to check on it. Mr. Scott commented that he thought there is no money in it. That is why the service is offered through the grant so that the kids can get the money and not the attorneys. These are people that do not have a lot of money to spend. Mr. Baggett said that at the end of the day, we may reach a point where a decision has to be made and it is something that the County Board needs to be aware of. We have a situation with the state where we are supposed to be getting this money through the grant. We have a contractual agreement with them to get the money, but they disagree with our cost allocation methods and they have the right within the boundaries of the contract to do that. Chair Dunn asked if the Board should send them a letter going over the budget stuff to make them aware that we are losing money on this. Mr. Baggett said that Mr. Waks was writing those letters on behalf of the board asking for Attorney General opinions all the way back to prior to 2008. The Attorney General has never changed their position on it, but in the last 2 to 3 years, they've started to enforce it. The state is aware of the problem and

the response they would probably have is that they don't have a choice because they have to seek reimbursement from the Social Security Administration and they can't do it the way we're asking them to do it, so they won't agree to let us do it. Mr. Jackson asked if we could change our ways to fit into that? Ms. Reed said the cost allocation has been done that way for several years and consider that to be the cost to providing insurance. Mr. Baggett said this is a situation where if an exception to our cost allocation procedure was made in regards to this grant, it won't be the only time the board is asked to make that exception and it won't be long before the cost allocation will mean very little and the board will have to figure out how to accommodate it. Chair Dunn asked Ms. Reed to check with former Auditor Stockwell because this issue has come up in the past and he thought a ruling had been received on it. Mr. Baggett said he has the ruling and has reviewed it. That is what he is basing this on. It has been their rule for quite sometime, they've only started enforcing it in the last few years. Chair Dunn said he thought there was an issue with federal grants. Mr. Baggett said all the correspondence that was in Mr. Waks' files dealt with this particular grant which is federal money pass through the Attorney General's office. Ms. Little recalled that when former State's Attorney Ahola was arguing against the allocation process we use, he was using the federal grant guidelines as a reason why he felt this is not a good way to do it. Mr. Dunn said he thought that Ms. Stockwell had found something that allowed it because he didn't charge the insurance for a grant and then at the end he started after she found something. Mr. Baggett said he thought what was being referred to was OMB Circular A-133 which is federal guidance in respect to federal grant dollars. You are right, this is a permissible way to handle our health insurance costs, but the state is refusing to accept that as a basis to do this. We could sue them, but it wouldn't be terribly cost effective or successful. The fact of the matter is that the way we allocate these costs is absolutely appropriate under accepted federal accounting guidelines and GAAP (Generally Accepted Accounting Principles). The State's Attorney's General Office is just adamant that they will not reimburse for these expenses. Chair Dunn said that if it gets to be too much of a problem, he would say to tell them to keep their grant and do your own work. Mr. Mattingley commented that there is recourse. There have been attorneys who have built entire practices on enforcing child support because the court would tax them with those attorney's fees in addition to the child support. It used to work that way before we had these administrative functions. We would not be abandoning our citizens.

Judgement Fund – Mr. Baggett said most of the numbers are placeholders in respect to the revenue. This is something that the Auditor and Finance Committee will work out once we have final numbers and figure out what we need to appropriate in this fund. No adjustments were made to salaries or health insurance or SS. IMRF decreased because the percentage decreased this year. The contractual fees line is a placeholder. This is the money used to hire outside counsel for litigation that becomes more involved. The 7500, Special Prosecutor line is for those very rare instances when one needs to be appointed and the state will not take on the responsibility.

There are several non-allocated funds. The State's Attorney's Drug fund, the Federal Drug Forfeiture fund, the Automation fund are all funds that have money come in through forfeiture programs or statutory fees imposed through the Clerk's office.

The Sex Offender Investigation Fund (page 6) is the same situation.

Child Advocacy Center, now known as the Child First Center (Fund 050), says they have signed contracts in respect to the grant dollars coming in and will get them to Mr. Baggett soon. The CAC fees through the Circuit Clerk's Office is based on what was brought in this year. It shows 46% received through the half way point of the year, but Circuit Clerk fees cannot be projected monthly. Piatt County fees also go in. Donation fees are amounts that will be provided from the Friends of the CAC Foundation. A letter is being obtained from the Advisory Board promising that the money that will cover the costs of the CAC that the grants don't cover. No change to the salary lines & hospitalization and fringes stay the same except for a small drop in the IMRF. Ultimately, projected expenses are \$1,500 less than projected revenue. That is a lot better than we've seen in the last several years.

Department 053 is the Hidden Victims Grant. This is pass through money that actually never sees the county. It is money in / money out.

Teen Court has received promissory notes from the Community Foundation with respect to most of the money in the revenue stream. It is broken down line by line. The Teen Court is budgeted to spend more than \$4,000 less than what they are bringing in. They have a positive fund balance around \$100,000. This is one of Kyeria Rogers projects and she is very good at finding money.

The formal word is being awaited from the state that would award the DUI Grant this year. Indication has been received that it would be at the same level as last year. We don't normally hear on this grant until late August or mid September. A salary amount was lowered due to a staffing change and some of the hospitalization has been shifted to this grant.

The Adult Redeploy contract has been signed and it is about \$365,000. There have been substantial changes made here, mainly due to Probation opting to reduce its grant footprint so they don't have as many staffing issues if the grants have a budgeting issue. This is money in / money out and the state is very good on this grant of telling exactly how the money will be spent and it makes it very easy to budget for.

Fund 067, Juvenile Justice Council has been discontinued effective July 1.

Fund 068, Community Foundation Grant is more money from the Community Foundation to pay a teen court case worker and the fringes. It also pays for a small amount of supplies and travel expenses for employees that travel from school to school.

JABG has also been discontinued effective July 1.

Elder Victim's Crime Grant is going into year 3 of the 4 year grant from the Buffett Foundation. This pays the salary of an investigator and the fringes.

Fund 071, Mental Health Board is a grant where \$19,000 goes to pay part of the salary of an Assistant State's Attorney who works in the Mental Health Court.

Fund 072 is another Community Foundation Grant. This one has been discontinued.

The Attorney General's Violent Crime Victim's Assistance Grant is the new one. It pays the substantial part of a salary of one of the Victim Witness Coordinator. It is money in / money out. The grant has been received for years. The new fund just makes the accounting easier.

Mr. Jackson made a motion to approve forwarding the budget on to Display, seconded by Ms. Cox and the motion carried 6-0.

### ***U of I Extension***

Mr. Harlan explained that they are asking for level funding tax levy. The budget is going up about \$10,000 for their FY18, but will come from other locally raised money. The salary increases are contractual. A little State money is trickling in. They were told they have full funding for FY17, but the Department of Ag has not been able to tell them what that means or when they will get it.

Ms. Little asked if he had said in committee the other night that this is the 3<sup>rd</sup> year that non-union employees have not had raises. Mr. Harlan confirmed that they had been told that for the 3<sup>rd</sup> year they had been told that there would be no salary program for non union employees so they will be holding level. There was discussion as to what union (AFSCME) the employees are a part of and whether the County's clerical are in the same union. Mr. Harlan explained that there are differences, but all under the same umbrella.

Ms. Little made a motion to approve forwarding the budget on to Display, seconded by Mr. Jackson. Chair Dunn asked if they were taxed at the full level. Mr. Harlan said no, they are at about 026 on a 5 levy so it is a little over half. It was just upped last year. Mr. Dunn said that at some point they probably need to look at giving non-union employees a raise or they'd be losing them. Mr. Harlan agreed saying he is one of those employees and he would like that a lot, but until the State budget gets settled, the university president is not willing to just say they will have a 3% salary program for everybody especially since the university is now having to look at laying people off this year if they don't get their funding. The motion carried 6-0.

### ***County Clerk:***

Mr. Bean explained that the committee had requested that both of the County Clerk's budget, the County Clerk and the Elections side, cut \$24,688. Twenty five years ago both were on one budget, but at that time there were 3 elections. There was that 5% that could be increased each year. The reason the election side was split out was just in case the election expense cost more in the odd year rather than the even year. You can add that to get additional beyond the 5%. Since then, we've gone down to 2 elections that never cost as much so it hasn't ever figured out.

Some cutting was done to the Clerk's side, but it actually up about \$394. About \$28,317 was cut in the elections side plus we are looking at. . . The State of Illinois has decided as explained to O&P last week. There are all these new voter registration programs we're joining with other states. The money they used to reimburse to the county clerks now goes to paying for the State Board of Elections programs. We are going to lose at least \$45,000, so the budget is actually down about \$79,377. It is actually a larger cut.

If we ended up having a primary, which it is hopeful that we don't, it would take the largest amount of people running for public office to get a primary, then we'd have to look at laying off

1 or 2 people in order to make the cuts. The outside consultant has already explained that if we cut employees, we would have to cut fees that we charge.

Fees are going to be up \$6,000 to \$8,000 in revenue just in automation and up almost \$100,000 over a couple of years ago in revenue for the County Clerk's side. He commented that he would take that against about any office when you look at the total revenue pages. He said they've been trying to do a better job with the fee increases to raise more money and pay for the Clerk's office.

Ms. Little made a motion to approve forwarding the budget on to Display, seconded by Mr. Jackson and the motion carried 6-0.

**CITIZEN REMARKS – PUBLIC COMMENT** - None

**OLD BUSINESS** - None

**NEW BUSINESS** - None

**CLOSED SESSION** - None

**NEXT MEETING** - Monday, August 29, 2016 @ 5:15 p.m. (next regular Finance Comm mtg)  
Tuesday, September 6, 2016 @ 5:15 p.m. Budget Hearing #3

**ADJOURNMENT** - Motion to adjourn made by Ms. Little, seconded by Mr. Jackson, motion carried 6-0, and meeting adjourned at 6:10 p.m.

Minutes submitted by Jeannie Durham, Macon County Board Office