

FINANCE COMMITTEE MEETING
Special Meeting – Budget Hearing #4
September 12, 2016 @ 5:15 P.M.

MEMBERS PRESENT

Jay Dunn
Patty Cox
Kevin Greenfield
Linda Little
Greg Mattingley
Tim Dudley
John Jackson

COUNTY PERSONNEL PRESENT

Josh Tanner, S of A / BOR
Lt. Jim Root, EMA
Lisa Wallace, Auditor's Office
Carol Reed, Auditor
Rodney Forbes, Public Defender
Sheree Zalanka, Health Dept
Dianna Heyer, Health Dept Administrator
Mary Eaton, Recorder
Bruce Bird, County Highway Engineer
Jeannie Durham, County Board Office

MEMBERS ABSENT

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 9/6/2016 was made by Ms. Cox seconded by Mr. Jackson and motion carried 7-0.

Budget Proposals

EMA:

Lt. Root presented line by line:

Revenues:

City of Decatur - \$10,000 – that is standard and shows no increase

Nuclear Safety Grant – decreased \$500 this year

FEMA Grant – an estimate of \$40,500. There is a possibility that that will come in above the \$40,000 mark. That is typically what is received, but every once in a while they will do a 5th quarter, which they did this year. That gave an extra \$14,000 which enabled the department to not have to come back and ask for additional money. Once that comes in, there will be additional amount in that revenue line.

LEPC Grant – This is an Illinois Department of Transportation Grant and paid for things done under the LEPC. That grant had been moved around and they are wanting it to be used more toward commodities and the amount of stuff that flows through the county is not as much with the fixed facilities. Lt. Root explained that they used to use that to make plans for hazardous materials storage facilities. They've put a lot of restrictions on it, so they were not able to secure that grant explaining the decrease of \$6,000.

Ms. Little asked if the FEMA money had actually been received. She pointed out that the sheet did not show where we had gotten one dime. Lt. Root said the only he had not received money for this year is the FEMA Grant, which has been appropriated, but not received. Last time it

was direct deposit rather than a check so he would have to check on it. He said the money is supposed to come in this year and we would have that revenue. He repeated that the money has been appropriated, but until the check is received, he could not guarantee it, but from everything the people at IEMA has told him, we will get that payment by the end of the year. Chair Dunn asked the Auditor to put it on her list.

5000 lines:

The majority of these are contractual obligations. The part time help line is for the person that does the hazardous material planning. That was part of the LEPC grant and so has been decreased by \$6,000 to reflect the lost revenue. This is the last year for the sick time buyout

6000 lines:

The hospitalization stays the same
Insurance has not changed
A slight increase to SS

Expenditures:

Maintenance of Equipment on down . . . everything stays the same

Nuclear Safety Block Grant shows a decrease which is a reflection of the Nuclear Safety Grant \$500 decrease in revenue

Supplies (8020 – 8200's) All remain the same

Ms. Little asked about line 8200, misc & contingency, and what normally comes out of that. Lt. Root explained that last year a move project on the Warrensburg water tower where the equipment had been taken off that tower and moved to the new tower which would give 4 years use in the event that Warrensburg wanted to decommission their water tower. When that was done, they had been paying the electrical fees for the radio equipment that was on the old tower, but Warrensburg has now agreed to pay the electrical so a little bit will be saved. That project is complete. Ms. Little asked what is anticipated to come out of it next year. Lt. Root said absolutely nothing.

Lt. Root went on to explain that the majority of things that break will be taken care of through the maintenance of equipment line. There has been a couple of years when things have broken, but at the end of the year, he had been able to do some clean up and pay for them out of the regular budget.

Ms. Little asked what the total reduction had been. Lt. Root said 12%. Chairman Greenfield asked if that had been the request. Lt. Root said he had not been asked to make any cuts, but he knew the committee was needing to make cuts and that is what he had been able to come up with. The funds are LEST and he said he knows there are some issues with that.

Chair Dunn said that rather than to pass this on to the Display Budget, he suggested they ask the Sheriff to look at his LEST budget because it looked like there were about \$500,000 plus in expenses more than expected revenue. He said he thought this budget is paid out of LEST. Lt. Root confirmed. Chair Dunn went on to say that it looks like a good job was done with cuts, but he wasn't sure about when the Sheriff redoes the LEST if some things might change. Lt.

Root asked what was being looked for. If they wanted more. Chair Dunn said he was waiting on the Sheriff to come up with a budget for LEST that meets the expected revenue. He said that would probably affect the Sheriff's budget, the jail budget, but he is not sure if he would mess with this one or not. He said he could see where a little here and a little there could be cut, but it probably won't be nearly enough to help much. Lt. Root said his budget is very small compared to what the Sheriff needs. Chairman Greenfield asked if they shouldn't table and hold this until the sheriff's budget is reviewed. Lt. Root explained that the reason he is at today's meeting is because he would be on vacation when the sheriff presents his budget. Chair Dunn said he didn't think anyone had issues with the budget, but thought the Sheriff probably needs the discretion to change something if he wants to. Ms. Little commented that Lt. Root would not have to be present for the committee to approve the budget after reviewing the sheriff's. Ms. Little made a motion to table the budget and approve it with the sheriff's, seconded by Mr. Dudley and the motion passed 7-0.

Recorder:

Ms. Eaton presented her ***General Fund*** budget line by line
5000 lines – wages for Recorder plus Chief Deputy & Assistant Chief Deputy at a 3% increase
6000 line – hospitalization – partial employee that has been left in here
7000 lines – some are the same. A couple changed slightly
8000 line – supplies went down \$500
Total Expenditures show a \$50,000 cut in the general fund as requested

Ms. Little made a motion to forward the proposed general fund budget on to Display, seconded by Ms. Cox and the motion carried 7-0.

Automation Fund Budget –

Revenue has been increased due to the increase of fees
Personnel line is for 4 full time employees with a 3% increase in their wages
The hospitalization line is for the remaining employees with SS & IMRF

Expenditures –
Line 7200 – covers paper, toner, etc...

Ms. Little made a motion to forward the proposed automation fund budget on to Display, seconded by Mr. Mattingley and the motion carried 7-0.

Document Storage Fund Budget –

Fee revenue remains the same, but more is going to be spent out of this budget for EDP which is for the software vendor and scanner

The Equipment line will pay for a new server and for the lease of a microfilm scanner for a few months to catch up on putting images into the system.

Ms. Little made a motion to forward the proposed document storage budget on to Display, seconded by Ms. Cox and the motion carried 7-0.

Chair Dunn questioned some of the figures and asked the Auditor to check into it.

Public Defender:

Mr. Forbes explained that the office consists of 1 Public Defender, 10 Assistant Public Defenders, 2 Support Staff, 1 Investigator – all full time employees in the office. In addition there is one Conflict Attorney. Last year they were asked to reduce the budget by 3% and in order to accommodate that, one Conflict Attorney was eliminated. Last year there were 2, this year only one. The reduction request for this year is \$10,000. This proposed budget does that.

There are no changes in revenue

All salary lines remain the same except for the Assistant Public Defender line. That line is being decreased by \$11,454.46. That is necessary in order to reduce the budget by the requested \$10,000. The reason this will work is that there was one attorney that has quit and the new hire will be at a lower salary. The starting offer is \$42,000. The last person was making \$47,500. This is the first time that a posting has included the salary in it. It was submitted to Northern Illinois University, U of I, SIU, and locally. There has only been one person from SIU apply. That person does not yet have a license to practice law. One person from Northern will be interviewed tomorrow and two local people. That is all the applicants. There has not been a lot of interest in working for the Public Defender's Office at that salary.

Hospitalization remains the same

7000 lines

Phones have been increased by \$500. This was done because of the past year's trend.

Postage remains the same

EDP remains the same. A workstation became infected, the Technology Administrator has asked that some anti-virus software be installed. The budgeted \$3,500 should cover the department's obligation to the courts for this.

Contractual shows a slight increase of \$300 because the Westlaw contract expires at the end of the month. It will have a 1% increase for 2017, 2018, & 2019 for a total of 3%.

This line also includes the Conflict Attorney. He is paid \$32,000. It remains the same.

Investigations remain the same.

No change on Mental Health exams

Witness expense line has now been busted for this year and is at \$4,429.29 over because some experts have had to be hired in insanity defense cases. Most of these cases involve someone who was in a psychiatry institution alleged to have committed an offense. We have to explore the possibility of an insanity defense. There is not a need to bring a resolution at this time. Mr. Forbes said he thought they'd be able to cover the cost through a clean up resolution at the end of the year.

That makes the total increases in expenses – the \$500 on phone & \$300 on contractual.

Supply & equipment lines remain the same. Next year will be the last year for the car on the capital program. It is still being paid for this year, but next year the obligation will be done.

Ms. Cox made a motion to forward the proposed budget on to Display, seconded by Mr. Mattingley, and the motion carried 7-0.

Highway Department:

Mr. Bird explained that his standard statement for the finance committee is that the department receives no general fund monies.

Hitting highlights of changes, *the 081 Highway fund*, the revenue target had originally been \$150,000, but has been running less over the past couple of years so it has been dropped down to \$75,000.

The refund from Payroll is down \$9,000 because of retirees being replaced at lower salaries. The MFT covers 70% of their salaries.

Misc receipts shows \$700,000. That is money coming from the windfarm.

Expenses:

Decreases in salaries come from filling positions of retirees with new people at lower salaries. There was also a savings to IMRF

Contingent expense of \$675,000. Usually this is a relatively small number, but the transportation committee direction was to put the permit fees from the wind farm there.

Construction Project line is at \$100,000. A couple of road projects have been identified for next year. That comes from the County Highway fund balance.

082 – the Office line

Salary increases are contractual mostly. Again, a little savings on IMRF

8000 – uniform and safety equipment – reduced \$5,000

Misc. – some lines trended up in the past years, so this is being increased by \$5,000

Matching Fund

The big thing on both revenue & expense, the line 4255 for the State of Illinois is showing \$3.5 million. That is the portion set aside for the construction for the Brush College Road Connector. That would come out of the money earmarked from the Governor's office. Line 7781, Payment of Other shows the \$3.5 million expense. It is money in / money out 100% state funds. The way it is typically handled for a project like that is, per agreement, when the project is approved, they give 90% of the funds up front and the remaining 10% is billed out. That money comes out of the road fund. There have not been any issues on the State side from the road fund, so that should not be an issue as far as availability goes.

MFT Funds

Some of the changes are directly related to the reimbursement of salaries. Project expense, 9020, was a \$1 million project this year, but is being cut back to \$500,000.

SB97 Funds

These are Township MFT funds and are all pass through

County Bridge

No changes to revenue. The expenses have gone down because of fewer projects being funded here next year as opposed to what was done this year.

State Township Bridge Monies

One project to do this year in Austin Township. All pass through monies.

Progress City Fund

Projected \$400,000. They always work with Richland on this. There is a small balance for patching, road work, etc... just to dress things up. Next year is host year for the Farm Progress Show. This is just a number that is being thrown out there. Sometimes the college is able to find additional monies. Sometimes not. It will be coordinated with the college. If they get the money, we do the project. Otherwise, we do what we can with what we've got.

Chair Dunn requested Mr. Bird meet with the Auditor and get the additional line for Austin Township added.

Chairman Greenfield asked about the amount from the windfarms and what line they would go into. Mr. Bird explained that the Auditor had decided the easiest one to put it in would be the misc. (081-8200).

Ms. Little asked about line 8200 on page 3 increase of \$5,000. Mr. Bird said that over the last 2 years, the trend had been \$25,000 or \$30,000 and he just put it in there just because. He said he could take it out if they'd like. He said they've looked at doing some additional work. Ms. Little commented that she hoped they would have lots leftover at the end of the year and not think that just because there's money there, they have to spend it. Mr. Bird assured her that just because the money is in the line does not mean it is going to be spent. He said he pays a lot more attention to what's in the bank than what's in the line.

Ms. Cox made a motion to forward the proposed budget on to Display, seconded by Mr. Jackson, and the motion carried 7-0.

Health Department:

Ms. Zalanka explained that the department revenue is \$6.5 million and expenses are \$6.1 million. That gave a bottom line of \$412,000. Revenue decreased 1% while expense decreased 3%. They are continually making efforts to decrease overhead expenditures. From FY16 to FY17, it was reduced by \$66,770. Currently, this budget represents a 16% indirect cost.

The budget includes an increase in payroll to be given through performance evaluations in the fall. A survey of comparable health departments was conducted and revealed that Health Department salaries are up to 25% lower than positions at other health departments. Per the directive of the Board of Health, they are working to bring salaries more in line with market. The rehiring of several positions that are currently open are also included in the budget. These were open because of the uncertainty of receiving grant funds and the state budget. Ms. Heyer added that in the last year, 3 individuals have been laid off. There are 16 unfilled positions, mostly nurses who are RN's and Case Managers. Most of them have left due to budget

uncertainty and the salary. Sangamon County pays \$24 an hour start pay for RN's while our average base pay is \$16 to \$18 / hour. 16 of 18 positions are below benchmark. The Board of Health has given the directive to, over the next 4 years, try to bring the salaries up about 5%. Last year 5% to 6% was done for those positions that are hardest to fill.

The state budget has made the state grant process challenging. Most state contracts have been received for FY17. A few of the programs received cuts. They are proceeding with caution.

As of now, almost all of the FY16 state funding has been received. They are still waiting for FY17 dollars to start coming in.

The Health fund balance is currently at \$2.1 million. In FY17, they will continue looking into electronic health records, digital signage, and further increasing employee salaries to align with other health departments of similar size.

This budget shows the Health Department averaging \$510,000 in expenses each month which indicates an appropriate working fund balance should average between \$1.5 and \$2.1 million annually for a 3 to 4 month reserve.

Ms. Heyer said that they do realize that to ask for a 4% to 5% raise for the employees is a lot, especially at this time, but as research has shown, there is difficulty keeping RN's and Case Managers on board. She said they had to do something to make some effort to bring themselves up to comparable salaries to other local health departments. They know they won't ever be at the rate a hospital pays, but they would like to be at least comparable to other health departments.

Ms. Little asked if there was an increase to their levy request. Ms. Heyer said no.

Ms. Heyer said they would also like to recognize the DPBC for the great job they do and that they have seen a savings in going on board with their services.

She said they are proceeding cautiously as their BOH has advised with filling several positions now, but the remainder are remaining unfilled. The staff has done a great job trying to figure out ways to do things differently. Credit should be given to them for their teamwork over the past year.

Mr. Dudley, as a member of the BOH, commented that they've done a great job. It was tough and the money was not coming in and it's not easy letting people go while trying to run a successful health department on minimum requirements. He said they did what they had to do and kept the fund balance up. There was even talk of closing the doors. Ms. Heyer said they have a great team.

Ms. Little made a motion to forward the proposed budget on to Display, seconded by Mr. Dudley and the motion carried 7-0.

Board of Review:

Mr. Tanner reported that there is only one line item change. That is the salaries on the Board of Review. After speaking with the Chairman and the Chair of Finance, a 7% pay cut or \$1,120 per person was decided upon and is reflected in the total.

Mr. Dudley made a motion to forward the proposed budget on to Display, seconded by Mr. Mattingley and the motion carried 7-0.

CITIZEN REMARKS – PUBLIC COMMENT - None

OLD BUSINESS - None

NEW BUSINESS - None

CLOSED SESSION - None

NEXT MEETING - Tuesday, September 20 – Budget Hearing #5

ADJOURNMENT - Motion to adjourn made by Ms. Cox, seconded by Mr. Jackson, the motion carried 7-0, and meeting adjourned at 5:55 p.m.

Minutes submitted by Jeannie Durham, Macon County Board Office