

Montgomery County Board Finance Committee Meeting Minutes

Date: Monday, February 4th, 2013

Time: 8:30 AM – County Board Room

Members Present: Chairman Joe Gasparich, Mike Plunkett, Connie Beck, Megan Beeler,
Bonnie Branum and Board Chairman Roy Hertel

Members Absent: Mary Bathurst

Others Present: Sandy Leitheiser, Ron Jenkins, Ray Durston, Holly Lemons, Banee Ulrici,
Diana Holmes, Dave Strowmatt, Marchelle Kassebaum, Kevin Smith, Rick
Robbins, Bill Gonet, Mary Purcell, Hugh Satterlee, Bill Purcell, Mary
Purcell, Dawn Lutz, Nancy Richardson, Chris Matoush

The committee met to discuss and approve the following:

1. **Update/Approval SOA Report:** Ray Durston reported that there are 22 complaints scheduled for Board of Review. Get exemptions renewals this week.
2. **Update/Approval GIS Report:** The GIS office is printing the map book pages and Mary asked how to handle the other offices reimbursing her office for the maps. Treasurer Jenkins stated that most of the printing cost is General Fund money so the GIS budget could be increased a little. Finance Chairman Gasparich asked Mary to present some estimated costs at next month's meeting.
3. **Update/Approval Revolving Loan Fund:** One client is in bankruptcy. Second client is two payments behind and the third client is doing okay. They are working on a new application.
4. **Update/Approval Elected and Appointed Officials to Discuss FY 2013 Budget and General Fund Balance:** Chairman Gasparich stated that the budget is not in a crisis at this moment, however this is a time to share concerns regarding the decline in revenues and increased expenses. Elected and Appointed Officials were asked to attend the meeting today to see they had any ideas on how to help the situation. The County is taking in less money than we are spending and we are fiscally solvent today because of the sale of the Coal Rights. The future of the County financial status depends on coal mine paying royalties. Fiscal Year 2014 budget negotiations will start in July and Chairman Gasparich asked everyone if there was some way of keeping expenses down in their department. Take a good hard look at budget to see if there is something that can be trimmed. On revenue side, are there any grants out there. First main job of the County Board is to keep the County solvent. Secondly, keep people employed and offices working. If we keep getting coal royalties and keep cutting expenses, we could end the fiscal year in the black. There are counties around us closing one day a week and or laying people off. Gasparich stated that our goal in 4 years is to have \$3.5 Million reserves in the bank for a rainy day fund. Board Chairman Hertel stated the County spends \$21,000 per day in the General Fund and we only take in about \$15,000 - \$16,000 per day. There is a \$5,000 deficit per day in the General Fund. The Coal mine gave us \$114,000 in royalties last month. We need about \$150,000 extra per month just to break even. Plunkett stated that the budget was cut about \$400,000. There was a \$100,000 in Sheriff's cars and \$90,000 for a GIS flyover that was taken out. There has been about \$2.4 Million of Coal Rights sales money that went into the General Fund to pay the bills.

Highway	\$ 49,000	Historic Courthouse	745,000
Annex	557,000	Sheriff's Dept.	513,000
Animal Control	338,000	GIS	300,000
Hurst-Rosche	216,000	Property purchase	161,000
Revolving Loan	250,000	Fayco	148,000
Misc.	47,000	Forrestal Group	130,000

Mike Plunkett stated that we once tried a public safety tax but it did not pass. Gasparich stated that he doesn't judge what happened in the past and doesn't want County to borrow money to keep going. The

County Board has not raised taxes in order to keep from going over the 105% tax levy. Each year the County borrows about \$500,000 from the General Fund each year to pay for IMRF, Social Security and Liability Insurance and then we pay it back when taxes are collected. The County can tax for these 3 items. Gasparich asked each Department Head to go back to their budget and approach the committee with any ideas. Take a strong look at other sources of revenue. Rick Robbins suggested drafting a memo to share with the employees so they are aware of the financial problems. County Clerk Leitheiser asks that this information also be put in the newspaper and Dave Strowmatt agreed by saying the public needs to know what is going on. Other ideas might come up from the bottom. The committee will be looking at copy machine contracts and trying to save money. Salary and benefits are the highest part of the budget. Hugh Satterlee stated that he has not hired anyone at the Health Department in 3-4 years. Holly Lemons stated that she has a list of ideas to share with the committee. Discussion took place regarding conflicts that pertain to a Board Member and those have been referred to the States Attorney's Office.

5. **Update/Approval Time Off Reporting:** Committee reviewed the reports from Treasurer Jenkin's office with all the employee time off balances. Hertel stated he had a meeting with the County Clerk's office regarding taking time off in the Fiscal Year since that office has traditionally used the calendar year due to the election cycle. If there is a problem with someone in the County Clerk's Office taking off because of Elections at the end of the year, then there may be up to a 5 day variance allowed after the start of the fiscal year at the County Clerk's discretion. Some union offices can carry over vacation past the end of the Fiscal Year and Calendar year per their contract. Hertel questioned the amount of time reported by the Sheriff's Office as being incorrect on the report and will check with the Sheriff's Office to see if there was an error in their reported.
6. **Update/Approval Circuit Clerk Audit:** Independent Audit is complete. Committee reviewed the report and asked a couple of questions regarding different fees. **Motion by Plunkett, second by Beck to Recommend the Approval of the Circuit Clerk's Audit as Submitted by Patton & Co. P.C. All in favor, motion carried.**
7. **Update/Approval Monthly Coal Revenue and Revenue, Expense & Bank Balance Report:** This money is in an account by itself. Megan worked with Treasurer Jenkins for reports to share with the Full Board. The committee reviewed a few examples of reports and chose one to share with the Full Board.
8. **Update/Approval Bloome Water Invoices:** Committee discussed and approved that these bills be combined into one voucher. This will be fixed at the next budget.
9. **Update/Approval Employee Health Insurance:** Consociates will be invited to Personnel Committee in February and Finance Committee in March. Treasurer Jenkins stated that this would be the time for Committee to review the insurance costs and decide whether to stay as is or to go to a Fully Insured program. Once you leave a partially or self-funded program it is very difficult to get back in. The County is currently on track for highest expense year. The County has been self-insured since May 2001.
10. **Update/Approval Copy Machine Survey:** Information collected from each office. Committee reviewed reports from the copy machine survey. Megan Beeler's class may take the information and analyze it as part of their Master's Program. A representative from Tom Day Business Machines will be invited to the next Finance Committee meeting to discuss the copy machine maintenance contracts.
11. **Update/Approval Review of Job Study:** Additional work is needed. Different parameters were added and given to Duncan to revise. There will be a comparison made with the amount with pay for salaries versus the education level. More information was needed based on what we require for an education requirement for each position. Gasparich stated that Duncan's data is defensible. He has numbers to back up his data. This information will set the bar on how employees are paid in the future and will establish a base line for new hires. Gasparich stated you need a subjective way to show people what the jobs should be paid.

Motion by Bonnie Branum, second by Megan Beeler to pay bills and approve payroll. All in favor, motion carried.

Motion by Bonnie Branum, second by Mike Plunkett to adjourn the meeting. All in favor, motion carried.

Meeting adjourned at 11:10 a.m. The summaries of minutes were respectfully submitted by acting secretary Chris Daniels, as Deputized by Montgomery County Clerk/Recorder Sandy Leitheiser.

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