

Montgomery County Board Finance Committee Meeting Minutes

Date: Monday, April 8th, 2013

Time: 8:00 AM – County Board Room

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

Others Present: Ron Jenkins, Whitey Patton, Kyle Putnam, Amy Hunt, Mary Purcell, Holly
Lemons

The committee met today to discuss the following:

- 1. Update/Approval FY2012 County Audit Presentation from Patton & Company, P.C.:** Whitey Patton presented the FY2012 County Audit. The committee reviewed a report showing the operating revenues and expenses, coal revenue, and capital outlay from 2009 to 2012. The total Capital outlay for 4 years was \$2,750,392. There is been little revenue growth overall. Expenses have grown such as payroll and related costs for health insurance, worker's compensation, payroll taxes and retirement. Patton stated that the County has been able to maintain services and do some capital projects. Moving forward, the County Board needs to identify an adequate level of money to have in the General Fund. The challenge will be to use less money for operating expenses. Another challenge is dealing with Health Insurance costs and Salary Increases. Patton stated that some counties will put extra money in a trust fund to use in future years when the extra revenue goes away. The Coal Revenue should not be considered regular operating revenue because at some point in time the coal mine will go away. Patton reported that the Sheriff's Office has several different cash accounts held solely by the department. They do have quite a bit of money in these accounts and we need to see if legally this money could be appropriated in the budget so it can be spent on some of the Sheriff's Department expenses. Assistant State's Attorney Betsy Wilson and Undersheriff Rick Robbins will be working on researching on how the money in these other accounts could be spent on. Kyle Putnam stated that State and Federal funded grant monies need to have the proper grant numbers reported. Treasurer Jenkins and Kyle Putnam have discussed how to handle getting these required CFDA grant numbers. One idea is to have a central person within the County, such as an oversight person to sign off on the grant, and that person would ask if this is State or Federal funding and get the Federal number. The Auditors needed about 7 Federal CFDA numbers that they had difficulty obtaining. Megan Beeler stated the MCEDC grant writer could possibly help. Mary Bathurst stated to educate each office that applies for grants with the information that is required for the audit. Coordinator Daniels could give them the basic information of what is needed. This issue will be brought up again a plan implemented to solve this problem. Gasparich stated that they need to identify how to get the budget under control and figure a way to increase revenue. Gasparich also stated that we could look at other resources like a sales tax increase and not a real estate tax so that property owners aren't the only ones affected. Chairman Hertel stated that farm ground assessments could be looked at. Farm ground taxes haven't gone up, but land prices and productivity has. The State Legislature has looked into this issue and the Illinois Farm Bureau has been working with the State to come up with a plan. Joe Gasparich stated we need to develop the mind set to work together as a County, not each individual town. At the end of his presentation, Whitey Patton recommended the segregation of duties and that employee should be cross trained.
- 2. Update/Approval Discussion of Auditing Services:** Committee reviewed a report that showed the auditing services from 2002 to 2012 and discussed the time frame of when this service should be put out

for bid according to the motion that was made in October 2011 that stated that auditing services would be bid out every 4 years. The last time the auditing services were bid out was in 2009. The committee discussed whether the motion in 2011 meant that it would be four years from that date, or four years from when the auditing services were bid out in 2009. The committee decided to have Committee Chairman Gasparich check with Patton & Associates for a cost to perform the County Audit for the next two years.

3. **Update/Approval FY 2014 Budget Information & Schedule:** Committee reviewed three handouts for the FY2014 Budget. Gasparich asked the committee to review the schedule. Gasparich asks that certain people on the committee digest certain budgets. The dates will be Monday, July 15th, Tuesday, July 16th and Wednesday, July 17th, 2013. Committee discussed consolidating copy machines and cell phone expenses. Elected offices would be asked to cooperate with the expense savings by consolidating cell phone expense etc. The Committee would like to have each Department's oversight committee review their FY2014 budgets.
4. **Update/Approval SOA Report:** Committee reviewed the SOA reports submitted by Ray Durston.
5. **Update/Approval GIS Report:** Mary Purcell gave her report and discussed the flyover. Megan Beeler asked if we can piggyback with another neighboring County to do the flyover in order to save money. Mary stated that she had called around to other Counties to find out where they got money for their flyover and if they had worked with another county to pay for this. In talking with the other Counties Mary was told that the Revenues for GIS were to be put into a separate fund and used only for GIS purposes. Mary stated that her revenue currently is \$100,000 per year and the expenses are around \$96,000 which would leave some money to pay for the flyover. There was also discussion that the County had a Capital outlay to start GIS of \$400,000 and it would take a long time to pay back at \$4,000 to \$5,000 per year. Mary stated that the Counties she spoke with also had this Capital outlay but did not consider paying it back from the revenues from GIS. Mary Purcell stated that she had checked with Assistant State's Attorney Betsy Wilson and reported that the GIS money should be put in a separate fund. Chairman Gasparich asked that the statute be reviewed and that the States Attorney be contacted for an interpretation of the State Statute. Mary also stated that she was told by Bruce Harris & Associates that the GIS funds have to be in a separate fund per State statute.
6. **Update/Approval Resolution to Convey Deed – Pitman Township Parcel #03-28-202-003:** County Agent Joe Meyer has been invited to the May Finance Committee. Committee discussed the Resolution to Convey the Deed for Pitman Township that was submitted by the Tax Agent. **Motion by Mary Bathurst, second by Connie Beck to Approve and Recommend the Resolution to Convey Deed in Pitman Township Parcel #03-28-202-003. All in favor, motion carried.**
7. **Update/Approval Monthly Coal Revenue Report and Revenue, Expense & Bank Balance Report:** Committee reviewed the Treasurer's Summary Report for the 2% Royalty Payments from the coal company. Committee discussed the Economic Development Committee cleaning up the \$150,000 that was going to the Revolving Loan Fund per the motion made in January 2011. This money will remain in the General Fund.
8. **Update/Approval Copy Machine Survey:** Committee reviewed a Cost Benefit Analysis for the copy machines that was prepared by Megan Beeler's class. Beeler reported that the Cost Benefit Analysis recommend going to a per copy cost contract. If we changed to a per copy count contract we could save about 45% per year. Gasparich suggested meeting with the offices to get input on copy expenses and explain the analysis report.

9. **Update/Approval Cell Phone Survey:** Megan Beeler explained the Cost Benefit Analysis for the 22 County Cell Phone bills. The report gave three alternatives to save money. The 3rd alternative would save about \$400 per month. Gasparich stated the State of Illinois has a stipend to pay employees to use their phones. Mary Purcell stated that she uses her cell phone so people can call her if she is not at her desk and she communicates with Ray Durston by texting. Committee discussed looking at the need for each employee that currently has a County issued cell phone. Committee discussed that if an employee that currently doesn't have a County issued phone and uses their personal cell phone where it doesn't cost them anything extra, then they would not get reimbursed. Gasparich will send a memo to offices to consider going to the cheaper bundle.
10. **Update/Approval Central Purchasing Program:** Committee reviewed and discussed the Cost Benefit Analysis for a Central Purchasing Program prepared by Megan Beeler's class. The class did research on other government entities that have a centralized purchasing system and it is working. The recommendation would be to consider a centralized ordering system and reducing the appropriations for office supplies in each department's budget. Committee also discussed giving these cost analysis reports that were prepared by the Class to all Department Heads to review for cost savings to use when preparing for FY2014 budgets. Megan could give a brief explanation of these cost analysis reports at the Full Board meeting.
11. **Update/Approval Resolution Proposing Increasing Maximum Allowable Levy for Raymond/Harvel Special Service Area Ambulance Tax in Montgomery County and Providing for a Public Hearing and Other Procedures in Connection Therewith:** Full Board will approve Public Hearing. County Clerk Leitheiser's office will send postcards to households in that voting district. Committee will recommend the Resolution to the Full Board.
12. **Update/Approval Finance Committee Time Change to 8:00 a.m.:** Need Full Board approval. Motion will be made at the Full Board meeting to change the meeting time to 8:00 am.
13. **Update/Approval Other Business:** None to report.

Motion by Mike Plunkett, second by Mary Bathurst to pay bills and approve payroll. All in favor, motion carried.
Motion by Bonnie Branum, second by Connie Beck to adjourn the meeting. All in favor, motion carried.
Meeting adjourned at 11:23 a.m. The summaries of minutes were respectfully submitted by acting secretary Chris Daniels, as Deputized by Montgomery County Clerk/Recorder Sandy Leitheiser.