

DRAFT
Finance Committee
Minutes

November 2, 2011

The DeKalb County Finance Committee met on Wednesday, November 2, 2011 @ 7:00p.m., in the Administration Building's Conference Room East. Chairman Scott Newport called the meeting to order. Members present were Larry Anderson, Charles Foster, John Gudmunson, John Hulseberg, Stephen Reid, Ruth Anne Tobias, Paul Stoddard and Ms. Fullerton. A full quorum present. Others present were Ray Bockman, Gary Hanson, among numerous department heads.

APPROVAL OF THE MINUTES

Moved by Ms. Tobias, seconded by John Hulseberg, and the motion was carried unanimously to approve the minutes from October 2011.

APPROVAL OF THE AGENDA

Moved by Paul Stoddard, seconded by Ms. Tobias, and the motion was carried unanimously to approve the agenda.

Ordinance for 2011 Assist Program (Mortgage Credit Certificates)

Mr. Hanson, Deputy County Administrator, discussed the advantages of utilizing the Homebuyer Assistance program. The program is sponsored by communities throughout the state to promote home ownership.

Mr. Anderson questioned where the funds to pay for assistance came from?

Mr. Bockman discussed that monies come from bond proceeds and has no cost to the county.

Moved by Larry Anderson, seconded by Ms. Tobias and it carried unanimously to forward this ordinance to the full board for approval.

Records Retention Policy for Bond Issues

Mr. Hanson discussed with the committee to adopt the Record Retention resolution, which is in the best interest of the County to maintain sufficient records to demonstrate compliance requirements made by Federal and State laws as well as with various bond covenants.

It was moved by John Gudmunson, seconded by John Hulseberg and it carried unanimously to forward the Records Retention Policy for Bond Issues to the full board for approval.

Policy on Fund Balance Reporting & the Flow of Funds

Mr. Hanson discussed Governmental Accounting Standards Board (GASB #54) this will standardize fund balance reporting to be more consistent. The framework will, when implemented, put funds in a hierarchy of one or more of the five levels of restriction.

It was moved by Larry Anderson, seconded by Paul Stoddard and it carried unanimously to forward the policy on Fund Balance Reporting & the Flow of Funds to the full board for approval.

Public Hearing on Proposed FY2012 Budget

Chairman Scott Newport asked the audience if there was anyone that wanted to speak before the committee tonight on the 2012 Budget?

No one came forward to address the committee at this time.

Review and Disposition of Open Budget Appeals

Item 3 Directs the Administrative Staff to identify budget changes to reduce the overall utilization of the Fund Balance in the General Fund by \$140,000 so that only \$760,000 in the fund balance reserves would need to be used to balance the budget. (This item combines and changes two appeals where one appeal requests that budgets get reduced by \$900,000 so no fund balance was used and the other appeal asked to reduce the Finance Office Salaries & Benefits budget by \$50,000.)

Mr. Hanson reviewed the outline of suggested changes to the fund with the Finance Committee.

- A. Implement lower Health Insurance Premiums and refine salary and benefits to reflect recent turnover. \$52,000
 - B. Reduce staffing in Assessments by 0.50 FTE. \$23,000
 - C. Re-direct Court Services expenses related to Travel and Drug Testing from General to Probation Services. \$8,000
 - D. Re-direct General Fund expenses for "West Law" on-line costs from Judiciary, State's Attorney, and Public Defender to the Law Library Fund. \$40,000
 - E. Re-direct capital costs in the General Fund budget for Facility Management to Special Projects. \$30,000
- Total \$153,000

The committee reviewed and discussed identified budget changes to reduce the Fund Balance in the General Fund. Most felt that the suggestions were just shifting and not truly lowering the Fund Balance. Chairman Newport acknowledged the spirit in which the reductions were presented. Charles Foster agreed and felt that the suggested changes should be made.

It was moved by Ms. Tobias, seconded by John Hulseberg and it carried unanimously to accept and approve the identified budget changes.

Item 13 Authorize additional part-time General Maintenance position in the Facility Management Office at a cost of \$16,500 for 19 hours per week without benefits. (Original appeal was to make the position full-time for \$53,000 and original Administrative recommendation was \$8,000 for part time help.)

The committee reviewed the impact the addition will have on FMO workload.

Mr. Anderson met with Judge Klein to review the impact on the Gathertorium to help that department.

Ms. Tobias noted that FMO lost a person last year.

Mr. Hanson questioned the committee as to whether or not this will be a tax increase or Fund Balance.

Ms. Fullerton commented that efficiencies have been identified to adjust the fund balance.

Mr. Newport would not solicit thinking on a tax increase on this appeal.

Mr. Anderson felt that the Funds Balance should be used. Mr. Stoddard agreed.

Mr. Hulseberg felt that if we do this for one year there will be cutting next year.

Mr. Newport suggested to fund the additional \$8500.00.

Mr. Foster felt that there are other things to improve.

Mr. Riley asked the committee if the Judicial Fund could be utilized rather than the General?

Mr. Bockman answered that we do not have the authority to access the Judicial Fund.

Mr. Hanson commented that court fees do not apply to cleaning.

Mr. Hulseberg understands that a 14 million dollar building is coming online, and will support the increase of \$8,500.

The Committee agreed to the increase to support the additional \$8500.00.

It was Moved by Stephen Reid, seconded by Ms. Tobias and it carried to authorize an additional part-time General Maintenance position in the Facilities Management Office at a cost of \$16,500. There were 7 yes and 1 no vote. The no vote being Charles Foster.

Item 42 Eliminate all but \$5,000 (for carpet cleaning and office re-painting) of the \$50,000 request in the Special Projects Fund designated for remodeling the Legislative Center once the State's Attorney's Office moves to the Courthouse. (Original appeal eliminated the total request of \$50,000)

Mr. Newport asked if there is any discussion regarding this item. No comments made.

It was moved by Larry Anderson, seconded by Paul Stoddard and it carried unanimously to eliminate all but \$5,000 of the \$50,000 in the Special Projects.

Item 44 Eliminate four items (tractor, mower deck, six wheel snow truck, and a one tone truck) from the Highway Department's Equipment Replacement Program for a savings of \$287,500, but keep the saved tax levy in the Highway Fund. (Original appeal moved the tax levy dollars to the General Fund)

Mr. Foster commented that there is overall spending down everywhere.

Mr. Stoddard noted if we could postpone purchases we could save installment on equipment. Similar to the car replacement as an example and get an extra year.

Mr. Newport said that though he may not agree with the thesis, we are getting an extra year.

It was moved by Larry Anderson, seconded by Charles Foster and it carried unanimously to eliminate four items from the Highway Department's Equipment Replacement Program.

Item 17a Authorize a full-time Detective Position in the Sheriff's Office at a cost of \$80,000 with funding to come from a property tax increase of \$2.40 for the average home-owner.

Mr. Stoddard opened discussion to use the Fund Balance rather than a tax increase.

Chairman Newport recognized Sheriff Scott to address the committee.

Sheriff Scott discussed the need for a full-time Detective position in the Sheriff's Office. The increase of crime and drugs are countywide. He noted that he represents the citizens and tax payers of the County.

This is a countywide position which assists all citizens and ensures a quality of life to the citizens. The Sheriff Dept has faced cuts over the years along with three items rejected and only one getting through this year.

Mr. Hulseberg agreed that we should grant the appeal, his concern is the long term funding of the position. Ms. Tobias agreed with Mr. Hulseberg that this must be a stable position. Mr. Foster noted that he had discussed with the Sheriff on the number of employees and can not see raising property taxes. Ms. Fullerton agreed that the funding should come from the Fund Balance. Mr. Anderson commented that we were here not for spending when there is a need to save. There are towns and counties cutting budgets.

Chairman Newport recognized Ms. Turner to address the committee. Ms. Turner conveyed to the committee that our tax portion is small to help protect the citizens of the county. It comes to a penny a day. Chairman Newport recognized Ms. Vary to address the committee. Ms. Vary commented our county is in better shape than most other counties. We shouldn't be cutting positions. Our population over the years has grown from 80,000 to 110,000 more people require more services. Point is that job cuts make you become less efficient.

It was moved by Julia Fullerton, seconded by John Gudmunson to accept the appeal and amend the appeal to use the Fund Balance, and it carried. There were 7 yes and 1 no vote. The no vote being Ms. Tobias.

Item 30 Fund the Court Appointed Special Advocates (CASA) at their requested amount of \$40,000 rather than at the Administrative Recommendation of \$35,000.

Mr. Hulseberg discussed state statues require for Court Appointed Special Advocates. Chairman Newport recognized Ms. Jill Olson to address the committee. Ms. Olson discussed the increased workload brought on the current staff. The caseloads have doubled but the staffing has not changed. The department utilizes 27 Pro Bono Attorneys in addition to the current staff. The committee discussed the reduction. The general reduction was to bring all agencies to their 2010 level. Mr. Anderson commented on the excellence of the CASA department.

It was moved by Ms. Tobias, seconded by Paul Stoddard to accept the appeal and it carried unanimously, with funding to come from the fund balance.

Item 32 Fund the DeKalb County Convention & Visitors Bureau at their requested amount of \$10,000 rather than at the Administrative Recommendation of \$5,000 with the money to come from the Special Projects Funds.

Chairman Newport recognized Ms. Vary to address the committee. Ms. Vary reminded the committee that the \$10,000 request rather than the \$5,000 will allow the funds to be matched from the state. The Convention & Visitor Bureau has proven to be a "good spend" with the amount of filming attractions we have had within our county.

It was moved by Ms. Tobias, seconded by Julia Fullerton, and it carried to approve the appeal. There were 7 yes votes and 1 no vote. The no vote being Charles Foster.

Item 1400-6005 Reduce one full-time Administrative Clerk C position in the Supervisor of Assessments Office to part-time, saving \$23,000.

Mr. Stoddard noted that the committee discussed this topic under item 3 earlier.

It was moved by Paul Stoddard, seconded by Ms. Tobias and it was carried unanimously.

Chairman Newport revisited appeal **LA1710-6000**. Mr. Newport recognized Mr. Miller to address the committee.

Mr. Miller conveyed his concern to lose any of his staff. They presently have 17 permits a month with 1 to 2 zoning permits. The increase of citizen complaints brought on by grading projects. Staff has worked on numerous issues and floodplain projects. The department cannot do without a full staff. The dollar amount to cut of \$70,000 does not identify which position. Efficiencies and timeliness will suffer. We also have a grant that will need a person to manage and complete.

Mr. Anderson discussed time management of employees.

Mr. Miller noted also, the project of digitizing permits has improved efficiencies. Losing one person would cause someone to not be there to assist the public. Services will suffer.

Mr. Hulseberg discussed the Evergreen Village property grant. That we are too close to finishing up this project and that it would be the wrong time to have this project suffer.

Ms. Vary noted the many projects achieved by the department. The Wind Farm study, Land Fill study along with the Storm Water Study to get grants. Awards have been won by this department.

Ms. Turner agreed that the department does other services for the community and county.

Chairman Newport closed the discussion of appeals.

Chairman Newport recognized Circuit Clerk Maureen Josh to address the committee.

Ms Josh asked the committee to assign a study to address the non-union vs. union salary compensation structure.

Mr. Newport agreed and asked what steps need to be taken.

Mr. Hanson noted that you would add a budget item in the narrative section for that to happen.

Mr. Bockman noted that the Finance Committee could direct staff to do the study and report back to the committee.

It was moved by John Hulseberg, and seconded by Julia Fullerton to create a sub- committee to address the non-union vs. union salary compensation structure and it carried unanimously.

Submission of FY2012 Budget to County Board

Mr. Hanson informed the committee that the Voluntary Action Center received a grant for \$375,000 to add to the budget. These are Federal and State funds for Rural Transportation.

It was moved by Paul Stoddard, seconded by Stephen Reid, to forward FY2012 Budget to County Board along with the levy and amend it with the grant money from Voluntary Action Center of \$375,000 for approval and it carried. There were 5 yes votes and 4 no votes. The no votes were Mr. Anderson, Mr. Gudmunson, Mr. Foster and Ms. Tobias.

Salaries for Elected Officials

Chairman Newport introduced his proposal for the Elected Officials compensation schedule to the committee to review (it is attached to these minutes).

Mr. Stoddard was disinclined to make suggestions. He noted he continues to see raises on some positions.

Mr. Newport noted that increases will not affect the 2012 budget.

Ms. Tobias understands the increase but not that much at this point not even for 2013.

Mr. Anderson discussed the increasing demands of the Chairman's office. The demands have turned into more of a $\frac{3}{4}$ time to full time at times. The demand is impacting his main job.

Mr. Newport noted to the committee that the raises originated with himself. The pay is a matter of equity of activities.

Mr. Foster had trouble with raises when there are cuts on the table.

Mr. Reid noted that maybe the scope of the County Board Chairperson be in writing. The statute is very vague on the summary of the job.

Ms. Tobias noted she could write something up.

Ms. Josh asked the committee to consider the size of her department and make it equitable to the other department heads. Due to the length and time she has served the county the increase is reasonable.

Mr. Hulseberg questioned if this included the stipend paid by the state.

Mr. Hanson noted that per state statute it should not be a part of the discussion.

It was moved by Paul Stoddard, seconded by Charles Foster, to amend and address the four offices County Board Chairperson, Vice Chairperson, Circuit Clerk and Coroner FY2013-2016 for approval and it carried. There were 5 yes votes and 4 no votes, those being Mr. Reid, Mr. Gudmunson, Ms. Tobias and Mr. Anderson.

	FY2013	FY2014	FY2015	FY2016
County Board Chairperson	\$12,000	\$12,000		
County Board Vice Chairperson	\$ 1,800	1,800		
Circuit Clerk	\$95,000	\$96,000	\$98,750	\$101,750
Coroner	\$57,750	\$58,375	\$60,000	\$61,800

It was moved by Charles Foster, seconded by Mr. Gudmunson, to have the Committee Chairman's per diem be \$100 per month and the County Board Member's per diem be \$70.00 per month. There were 4 yes votes and 5 no votes, those being Mr. Reid, Mr. Hulseberg, Ms. Tobias, Mr. Stoddard and Mr. Anderson. Motion failed.

It was moved by Paul Stoddard, seconded by Ruth Anne Tobias, to amend the Committee Chairperson to \$110 per month and the County Board Member monthly per Diem to \$85 for FY2013-2014, for approval and the motion carried with 2 no votes, those being Charles Foster and John Gudmunson.

ADJOURNMENT

It was moved by moved by Paul Stoddard, seconded by Julia Fullerton, to adjourn. Motion carried by unanimous voice vote.

Respectfully submitted,

Scott Newport, Chairman