

COMMITTEE REPORT

COMMITTEE: Finance, Tax & Budgets
CHAIRPERSON: Yerda Potter, Chair
DATE/TIME: October 27, 2005. 7:00 p.m.

PRESENT:

Berlage
 Carroll

Kent
 Mapes

Potter
 Schultz

Other Board members: Tim Petitgout

Others: Diane Williams, Brian Melton, Tim Stephenson, Carol Soat, Leon Heires

MINUTES

The Chairperson called the meeting to order at 7:00 p.m.

1. Minutes

Ron Mapes made a motion to approve the minutes of the September 29, 2005 committee meeting. Jody Carroll seconded and the motion passed.

2. Old Business

- a) Discussion of FY2006 budget. Yerda Potter stated that at the last County Board budget review session the Board decided to leave the savings each department will realize for health insurance in their individual budgets. The County Administrator's Office has determined that the General Fund budgets, not including the Sheriff's Office budgets, comes to about a \$9000 savings. Because of the recent arbitration decision on a grievance filed by the Deputy's Union, the Sheriff's Office will have increased costs for health insurance instead of realizing a savings. He estimates that the increased cost may be approximately \$3000. The committee discussed how to accommodate the increased costs using the savings and how to keep track of the savings. Merri Berlage made a motion that due to the arbitrator's decision that the savings from the health insurance renewal be placed in the Contingency line item of the Miscellaneous budget in the General Fund. Mapes seconded and the motion passed. A memo will be sent to the department heads explaining the decision.

3. New Business

- a) Line item transfer for CVB Tourism Promotion Fund. There was a transfer approved in September for a holiday promotion and too much money was transferred from one line item. Carroll made a motion to recommend approving a resolution for a line item transfer for the CVB as presented. Potter seconded and the motion passed.
- b) Mileage reimbursement rate. The IRS has raised the mileage reimbursement rate for the months of September through December to 48.5 cents per mile. Tim Stephenson stated that his department is affected more than most and the department averages about 1700 miles per month. He also stated that he has enough available in his budget to accommodate

the increase. The 2006 rate has not been established yet by the IRS. The committee discussed the departments and budgets that would be affected and how much the increase would be. Marvin Schultz made a motion to authorize changing the mileage reimbursement rate to 48.5 cents for the period of October 1 through December 1. The motion died for lack of a second.

- c) Line item transfer for Information & Communications Technology budget. Diane Williams explained that an insufficient amount was budgeted for this year; only one copier was calculated when two copier maintenance contracts are paid from this line item. Schultz made a motion to recommend approval of the resolution to transfer funds within the Information & Communications Technology budget as presented. Berlage seconded and the motion passed.
- d) Discussion of auditing services. Leon Heires was present from Lindgren, Callihan and Van Osdol. The initial 3-year contract period and 1-year extension with the company are over. Since there is still the ongoing issue of the accrual accounting conversion, he would like to continue to provide services to the County to maintain continuity. He expects that the cost would be similar to last year with an inflationary figure added. Heires would like to begin the accrual conversion training as soon as possible. The cost determined for those services last year was based on an hourly rate. Civic may need to be contacted for more training also. In order for that to happen, the purchasing policy needs to be amended to include purchase orders. Berlage made a motion that Heires present the County Board with a 1-year contract proposal and a multi-year contract proposal to be reviewed and acted upon at the November 8th County Board meeting. Carroll seconded and the motion passed. Heires stressed to the committee that Lindgren, Callihan and Van Osdol has been very proactive in helping the County better their financial position.
- e) Discussion of accrual conversion process and purchase order policy. Heires stated that the accrual training should start in December. He will monitor the process for a few months to make sure that everything is operating smoothly and being recorded correctly. The committee reviewed and made changes to the policy. The committee reviewed and made changes to the Purchasing Policy. The committee would like the States Attorney to review the document before approval. Potter made a motion to recommend the approval of the Purchasing Policy as amended with copies of the draft sent to the department heads for their review prior to the County Board meeting. Berlage seconded and the motion passed.
- f) Discussion of codification project. Tim Petitgout stated that this topic has been discussed at the Information & Communications Technology Committee meetings.
- g) Discussion of raises for employees paid from non-General Fund budgets. The Health, Highway, CVB and GIS departments are operational budgets

that are not in the General Fund. When the County Board voted to give the employees in the General Fund up to 4% raises, these departments were not addressed. After discussion, Carroll made a motion to give a cost-of-living increase of 2% to all County non-union employees and the possibility of a 2% merit increase and ask the Health, Highway, CVB and GIS departments to revise and resubmit their budgets including the raise. Mapes seconded and the motion passed.

4. Other

- a) Treasurer's reports. The Treasurer developed a new report for the committee showing the payroll costs as compared to the budget.
- b) Board member concerns.
 - i. Carroll asked that the committee revisit the mileage increase request. He made a motion that the County Board approves an increased mileage reimbursement rate of 48.5 cents per mile, as suggested by the IRS, for the period of October 1 through December 1, 2005. Schultz seconded and the motion passed. Berlage made a motion that the departments be directed by memo from the County Administrator's Office to submit their mileage claims for this month at the rate of 48.5 cents. Schultz seconded and the motion passed.
 - ii. Berlage reported that she attended a staff meeting on Tuesday. They are concerned about the salary survey and asked the County Board to combine salary grade levels 5 and 6. She is unaware of the financial impact, but it would affect sixteen employees. The salary survey is on the agenda for the next Executive Committee meeting.
 - iii. Schultz asked that the committee consider moving the claims process earlier by several days so that the claims list can be included in the County Board packet.
 - iv. Mapes asked if the States Attorney has heard anything about the riverboat license.
 - v. Potter reported that she had an email from Peg Murphy praising the salary compensation worksheets and thanking the Board for obtaining bids for the health insurance. Potter also stated that she has heard of some state legislation regarding the SLEP retirement program.

5. Citizens' Comments - none

The meeting adjourned at 8:40 p.m. following a motion by Berlage and seconded by Mapes.