

Fulton County Board- Finance & Insurance Committee Meeting Minutes

Fulton County Board Office, 257 West Lincoln Street, Lewistown, IL 61542

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Committee: Finance/Insurance Committee

Meeting Place: Fulton County Board Office, 257 West Lincoln St., Lewistown, IL 61542

Time: 5:45 p m

Date: May 4, 2022

CALL IN INFORMATION:

Call in number: 425-436-6352

Meeting code: 262 8269#

1. Call to Order

Time: 5:47pm

Members:

Barry Beck (present/xxxxxx)

Susan Duquette (present/xxxxxx)

Laura Kessel (present/xxxxxx) arrived at 5:45pm

BJ McCullum (present/xxxxxx)

John Spangler (xxxxxx/absent)

Lisa Thompson (present/xxxxxx)

OTHER BOARD MEMBERS: Mary Deushane, Roger Clark

STAFF: Cindy Simpson – Fulton County Board Administrative Assistant, Audra Miles - Comptroller

ELECTED & APPOINTED OFFICIALS: Patrick O'Brian – County Clerk – by phone, Julie Russell – Supervisor of Assessment – by phone, Staci Mayall – Treasurer, Charlene Markley – Circuit Clerk

GUESTS: None

Media: None

2. Roll Call

Roll call was taken, quorum was present

3. Call for Additions/Deletions To and Approval of the Agenda

Member McCullum moved to approve the agenda with a second from Member Beck. Motion carried by roll call vote (6-0).

4. Approval of Previous Minutes – April 6, and April 12, 2022

Member McCullum moved to approve the minutes from April 6, and April 12, 2022 with a second from Member Thompson. Motion carried by roll call vote (6-0).

5. Announcements, Communications and Correspondence - None

6. Public Comments – None

7. Claims

- a. Discussion/Action: Claims

Member Beck moved to approve the claims with a second from Member Thompson. Motion carried by roll call vote (6-0).

8. Transfer of Funds

- a. General Funds Transfers
- b. Other Funds Transfers

- i. **Discussion/Action: Resolution:** \$346,000.00 From: #087-143-595904 ARPA Expenses To: New line item #087-143-595906 Governmental Unit Grants

Treasurer Mayall discussed the resolutions will make it easier to track for the US Treasury.

Member Duquette moved to approve the resolution with a second from Member McCullum. Motion carried by roll call vote (6-0).

- ii. **Discussion/Action: Resolution:** \$850,000.00 From: #087-143-595904 ARPA Expenses To: New line item #087-143-595907 Community Grants

Member Duquette moved to approve the resolution with a second from Member McCullum. Motion carried by roll call vote (6-0).

- iii. **Discussion/Action: Resolution:** \$2,600,000.00 From: #087-143-595904 ARPA Expenses To: New line item #087-143-570150 Capital Improvements

Member Duquette moved to approve the resolution with a second from Member McCullum. Motion carried by roll call vote (6-0).

- iv. **Discussion/Action: Resolution:** \$86,900.00 From: #087-143-595904 ARPA Expenses To: New line item #087-143-575301 Hazzard Pay

Member Duquette moved to approve the resolution with a second from Member McCullum. Motion carried by roll call vote (6-0).

- v. **Discussion/Action: Resolution:** \$68,000.00 From: #087-143-595904 ARPA Expenses To: New line item #087-143-570100 Vehicle Purchase

Member Duquette moved to approve the resolution with a second from Member McCullum. Motion carried by roll call vote (6-0).

- vi. **Discussion/Action: Resolution:** \$106,650.00 From: #087-143-595904 ARPA Expenses To: New line item #087-143-550150 Software

Member Duquette moved to approve the resolution with a second from Member McCullum. Motion carried by roll call vote (6-0).

9. Immediate Emergency Appropriation(s) - None

- a. General Funds Immediate Emergency Appropriations
- b. Other Funds Immediate Emergency Appropriations

10. Old Business

- a. **Discussion/Action:** Setting of Salaries for County Clerk

Member Spangler discussed Member Thompson put together several spread sheets to show the salaries. Member Thompson stated it is very hard decision when the county has great department heads and the county needs to pay a fair salary.

Member Duquenne inquired what the state stipend amount is for the Treasurer and County Clerk. Member Thompson discussed the Elected officials are issued a stipend for work done by the State of Illinois in the amount of \$6,500.00. This is in addition to the Elected official's salary.

Member Thompson discussed the data collected for the spreadsheet was collected from other counties' data and the comptroller's website. The average salaries for both positions was calculated on what other counties of similar size pay the County Clerk and Treasurer. The Clerk's salary is \$62,000.00 and the Treasurer's salary is \$68,968.00. The counties are based on population not income as most of the other counties have larger incomes than Fulton County.

Member Thompson calculated a cost of living increase of 1.5% each year and an ARPA stipend for each of the next three years of \$3,800.00 for the Treasurer. This is due to the additional workload that is required by the US Treasury and the additional \$6,000,000.00 received by Fulton County and the distribution of these funds from the Treasurer's office.

Member Thompson calculated a couple of hours of work a week times the hourly rate to justify the amount.

Member Thompson stated the salaries need to be set for the job not the person holding the job. The setting of the salaries would have been easier if this was done before the petitions were taken out for the Treasurer and County Clerk.

Member Duquenne inquired if the Finance committee is basing the salary on performance. Member Thompson stated the Finance committee is not here to do a performance review on the Treasurer's job. The Finance committee thanks Member Thompson for all the work that was done on the salary comparisons.

Treasurer Mayall inquired what counties the salary was compared to and is the 1.5 % raise what is being looked at for all elected officials.

Mayall discussed Bellwether was paid \$20,000.00 for administrative work over a two-year time frame and \$50,000.00 was paid to SRPED for administrative work that was done in a three-month period, and questioned if the work the Treasurer did does not have the same merit for compensation.

Treasurer Mayall stated four years ago, longevity mattered and she received a .05% pay raise. Mayall stated when a person comes into a union position they do not get the 20years of service rate that the previous employee had. She asked if longevity matters for an appointed position, if it will just apply to the County Clerk and Treasurer's salaries.

Member McCullum stated the county has to factor in what the county has as a budget and funds available for raises. It would be nice to pay people a lot of money for a great job, but the job is what the job pays.

Member McCullum stated Fulton County has to have a Treasurer, County Clerk, Circuit Clerk and Assessor and it takes all these offices to run Fulton County and the positions need to be paid equally.

Member Duquenne stated there is a lot of passion regarding salaries and this is the Finance committee's decision and there has been plenty of input from the outside.

Member Spangler inquired if the committee is comfortable with a 1.5% increase for the Treasurer and County Clerk. Member Duquenne stated the cost of living has gone up so much this year and is not sure this is a realistic percentage.

The Finance committee members discussed 2% increase for the next four years for the Treasurer and County Clerk.

Member Thompson stated if the committee is going to base the salary increases on performance then performance reviews need to be done.

Member Spangler discussed with all Finance committee members what percentage they felt was fair. All Finance members agreed 2% is fair. Member Spangler discussed what amount of stipend from the ARPA funds does the committee feel is a fair amount for the Treasurer and County Clerk. Member Kessel stated if the committee increases the hours the Treasurer works on ARPA to 2.5 per week, this increases the amount to \$4,750.00 per year. The County Clerk will be doing additional work on the ARPA Funds. Clerk O'Brian did the research and looked at the US Treasury's rules for uses of

the ARPA funds and quantified the requests that were received by Fulton County. Clerk O'Brian stated he is not asking for a stipend for the work on ARPA Funds.

Clerk O'Brian discussed Fulton County's municipalities were not going to get their ARPA funds due to not know how to apply for the funds. Clerk O'Brian and Treasurer Mayall provided the guidance and assistance in helping all the municipalities get registered in the US Treasury's portal to acquire the ARPA funds. Currently both Clerk O'Brian and Treasurer Mayall are fielding calls from the municipalities for ARPA fund uses and reporting questions.

Member Kessel inquired what role Clerk O'Brian will have going forward. Clerk O'Brian was not sure and stated that as things come up you just completed without quantifying the work.

Member McCullum stated both the Clerk O'Brian and Treasurer Mayall should be compensated for the ARPA work that has been done and the work that continues to be done.

Member Thompson stated at the UCCI meeting other counties did not feel it was wise to reward an ARPA stipend. This is considered part of the job.

Member Thompson took an hour every other week times the hourly rate to get the justifiable dollar amount and a rough calculation of 25 additional hours.

Member Spangler discussed based on the future work the stipend of \$1,500.00 for the next three years for the County Clerk.

Member McCullum stated if the public questions board members how the stipend amount was based, the Board member can say this was based on the calculation of 30 minutes a week or 25 hours for the year. Treasurer Mayall suggested to pay the stipend quarterly.

The Finance committee discussed the equitable adjustment for the County Clerk of \$2,500.00 for 2023, \$2,000.00 for 2024, \$1,500.00 for 2025 and \$630.00 for 2026. This equitable adjustment will make both the Treasurer and the County Clerk's salary equal at the end of the next four years.

The Member Spangler discussed the salary for the County Clerk of \$65,740.00 plus a 2% raise for four years plus an additional \$1000.00 ARPA funds for the next three years. The ARPA stipend will be paid quarterly starting in December 2022 plus the equitable adjustment to the salary.

Member Duquette moved to approve the Salary for County Clerk with a second from Member Beck. Motion carried by roll call vote (6-0).

b. Discussion/Action: Setting of Salary for County Treasurer

Member Spangler discussed the ARPA stipend for the Treasurer of \$5,700.00 for the next three years and a 2% pay increase for the next four years.

Member Thompson questioned audit the county justifies the extra administration costs to the US Treasury.

Treasurer Mayall discussed there are layers of tracking involved for the US Treasury and the extra administrative costs will not be an issue.

The salary for the Treasurer would be \$69,736.00 plus a 2% raise for the next four years and a \$5,700.00 ARPA stipend for the next three years. The State of Illinois adds an additional stipend of \$6,500.00 per year this is not calculated into the annual salary from the county.

Member Duquette moved to approve the Salary for Treasurer with a second from Member McCullum. Motion carried by roll call vote (6-0).

c. Discussion/Action: Setting of Salaries for Sheriff

Member Spangler discussed the Sheriff's new salary will be \$146,747.35 starting December 2022. Fulton County will be responsible for 33 1/3 of the salary and the State of Illinois will pay 66 2/3 of the Sheriff's salary.

Member Thompson discussed she researched the State of Ohio. Ohio sets all elected official's salaries and the salary is based on population. It looks like Illinois will follow this in the near future.

Member Kessel stated the Sheriff's salary should be the same for the next four years due to the big increase and the additional training requirements for the new sheriff.

Member Kessel moved to approve the Salary of \$146,747.35 for the next four years for the Sheriff with a second from Member Beck. Motion carried by roll call vote (6-0).

d. Discussion/Action: ARPA funds

Member Spangler discussed he is working with the States Attorney for agreements for a cities and communities that will receive ARPA funds from Fulton County.

The agreements will give the funds to the agreed upon organizations and receipts for the projects would be sent to the Treasurer's office for reporting information to the US Treasury.

Member Duquette asked if the county wants to give the funds first and without the work being done and not documentation or receipts for the reporting to the US Treasury.

Comptroller Miles stated the county is responsible for the ARPA funds and would have to repay any misused funds.

Member Kessel discussed sometimes when funds are given without receipts, the receipts are not returned to the organization in a timely manner.

Treasurer Mayall discussed required documentation is needed for tracking invoices and receipts that are needed for the US Treasury reporting.

Member Spangler discussed the agreements need to be made up first and signed before any funds are distributed.

Member Spangler discussed SRPED will be at the next Fulton County Board meeting to discuss the Small Business Grants that were given out. The Finance Committee decided to show the areas in Fulton County that received the funding for the Small Business Grants.

e. Discussion/Action: Hiring County Administrator – tabled for the June Finance meeting. Member Thompson will continue to work on the information for the County Administrator.

f. Discussion/Action: Procurement Card – No action

Treasurer Mayall provided the applications that were received from the Fulton County department heads and the credit limits being requested.

The Finance committee will need to approve and sign the applications provided by Treasurer Mayall. There is additional information that will come directly from the bank for the card holders and the information will need to be completed and returned to Treasurer Mayall.

The purchases are for bills or items that cannot be invoiced and keeps the department head from using their personal credit card.

11. New Business

a. Discussion/Action: Appointment: Samantha Braden – Fulton County Board of Review Member Thompson moved to approve the Appointment with a second from Member Kessel. Motion carried by roll call vote (5-0) with Member Duquette not present to vote.

b. Discussion: Fulton County Auditor report (2021 Audit) on Unrestricted Net Assets, - \$20,000,000.

Member Thompson discussed the unrestricted assets of \$20,000,000.00 in the audit. In 2010 there was \$10,000,000.00 in unrestricted assets and currently the county is \$20,000,000.00 deficit. This relates to post-employment funds and is health insurance benefits for retirees.

The IMRF has a source of funding and post-employment benefits do not have a source of funds. The county could do a trust fund to fund the post-employment benefits. The number is so skewed because of the way Fulton County pays the medial benefits for retirees.

The actuarial report is based on what the county employees receive for health care insurance benefits. Currently the employee pays 30% of the premium. The employee receives a death benefit and the surviving spouse remains on the Health insurance plan. Treasurer Mayall stated keep in mind what is levied for, County General does not cover the cost for current employees for Health insurance and this is not a tax payer driven fund. A trust would cut the cost of this but where the county will get the funding to support a trust is the question. A trust can be very difficult to fund for the county. The other way to lower the unrestricted asset cost is by raising the percentage the retirees and employees pay for Health Insurance premium cost.

Member Thompson stated as the auditor pointed out Fulton County is very generous with employee benefits. A Financial advisor is needed to turn this around. Last year the post actuarial benefits deficit was \$28,000,000.00.

The Finance committee needs to take a look at this and get the actuarial figures turned around for Fulton County.

12. Budget

a. **Discussion/Action:** FY23 Budget – Step 2 General Fund Budget Goal.

Comptroller Miles discussed the budget process is kicking off and the Finance committee will need to set a goal on what the budget requests from department heads will look like. In the previous year's budget, a percentage was cut for expenditures and the revenue was matched.

Member Spangler discussed cuts to the FY23 budget will be nearly impossible, due to inflation and the increased cost of business items. Comptroller Miles discussed since this is a contract year it will make it more difficult to project salaries for FY23.

For the budget process in FY22 each department head was given an amount for their budget and the department head decided where the funds were distributed in their budget. Then the department head met with the Fulton County Board Chairman, the Finance Chairman and Comptroller Miles before the Finance Committee reviewed.

Member Spangler inquired if the FY22 budget is close to be on track to what was projected. Member Thompson discussed there is \$500,000.00 in grants this year and in 2021 in comparison to 2022. \$1,000,000.00 more has been received from PPRT than was anticipated. If the two numbers are removed from FY21 the revenues would be \$11,300,000.00.

The last two years PPRT has been excessive and Member Thompson feels this will set the tone for how the budget will look in general.

Member Thompson feels the revenue goal for FY23 should be \$11,400,000.00 this would be approximately a 2% increase. This does not include PPRT or any grants.

Member Thompson stated the budget needs to be on track for a sustainable future.

Member McCullum inquired if the PPRT estimate has been given. Treasurer Mayall stated currently the PPRT estimates have not been given.

Member Thompson discussed the budgets still need to be tightened up. Member Thompson stated the budgets are closer to being balanced and do not have an exorbitant amounts of extra funds.

Treasurer Mayall inquired if the Finance committee wants a zero based expenditure budget.

Member McCullum stated a zero based budget makes the supervisor look at the entire departments budget.

Comptroller Miles stated to cut 3% from the budget means people in Fulton County.

Comptroller Miles discussed this is the starting point for the budget and what number does the Finance committee wants to send out to the department heads.

Member Spangler discussed this year's budget is on track to be balanced and to keep the budget the same as FY22 as a starting point. Keep salaries the same as this is a negotiation year and the salaries have not been established.

Comptroller Miles discussed this information may not be back in time for the June Finance meeting. Miles will send the information to the department heads in the next few weeks and the next step is for the department heads to meet with Comptroller Miles, Chairman Clark and Member Spangler to review their budget requests.

13. Transit

Comptroller Miles reported the third quarter reports have been submitted. The CVP (Consolidated Vehicle Procurement Program) grants for vehicles have been submitted.

14. Treasurer's Report

The draft audits for the OPEB and Circuit Clerk have been received and will be sent out to the Finance committee and Fulton County Board members.

Hunter Gray Stenn LLP, Auditors for Fulton County will call into the Finance meeting and the Fulton County Board meeting on May 10, 2022.

15. **Assessment Report** – Nothing to report

16. **Executive Session:** None

17. **Misc.** – None

18. **Adjournment**

Time: 8:07pm

Member Duquenne moved to approve to adjourn the meeting at 8:07pm with a second from Member Beck. Motion carried by roll call vote (6-0).

APPROVED JUNE 8, 2022