



**Minutes approved 07-19-16**

## **Finance Committee**

James Carius Conference Room  
Tuesday, June 21, 2016 – 3:34p.m.

Committee Members Present: Chairman Neuhauser, Nick Graff, Monica Connett, Jim Donahue, Brett Grimm, Mike Harris, Darrell Meisinger, John Redlingshafer

Committee Members Absent: Terry Hillegonds, Carroll Imig, Seth Mingus

Others attending: Wendy Ferrill, County Administrator

Chairman Neuhauser called the meeting to order at 3:35, however, there was no quorum.

The meeting began with agenda Item F – an update on ETSB Finances.

Chief Deputy Lower stated he wanted to provide an update on ETSB as the Vice Chair of that Board. Funds were borrowed in December. He stated they are working through some of the problems from the previous Director. A \$200,000 loan was received from the County and \$140,000 has been paid back at this time. He stated funds are still held by the State. At this time they have been paid through February. They are owed approximately \$320,000 and it is unknown when the next payment is coming.

(Member Donahue in at 3:38 which provided the Committee with a quorum)

Lower stated they are down to one employee as they have no Director. The lease on the building they were in was canceled and the employee is now in the basement of the Justice Center. They have been able to catch up on all late bills. He stated he appreciates the help from the Board. In December they were in dire straits and at this time the outlook is more positive.

Chairman Neuhauser asked about the repayment terms of the loan back to the County and if a payment deferral would help them. Lower advised there was a Bill in place at this time to continue to pay the 9-1-1 Board. Graff stated he learned all funding bills were being held at this time due to the budget impasse. Chairman Neuhauser stated if cash flow becomes an issue it could be discussed and a possible deferral granted.

**MOTION**      **MOTION BY GRIMM, SECOND BY MEISINGER** to approve the minutes of the May 17, 2016 meeting.

On voice vote, **MOTION CARRIED.**

**MOTION**  
F-16-14      **MOTION BY GRIMM, SECOND BY GRAFF** to recommend to approve a transfer request for Court Services.

On voice vote, **MOTION CARRIED.**

**MOTION**  
F-16-15      **MOTION BY GRIMM, SECOND BY GRAFF** to recommend to approve a transfer request for the Auditor.

On voice vote, **MOTION CARRIED.**

**MOTION**  
F-16-16      **MOTION BY GRIMM, SECOND BY GRAFF** to recommend to approve a transfer request for County Administration.

On voice vote, **MOTION CARRIED.**

**MOTION**  
F-16-17      **MOTION BY GRIMM, SECOND BY GRAFF** to recommend to approve a transfer request for Health Internal Services.

On voice vote, **MOTION CARRIED.**

**MOTION**  
F-16-18      **MOTION BY HARRIS, SECOND BY DONAHUE** to recommend to approve the FY17 Budget Parameters.

Chairman Neuhauser opened by stating during the Courthouse re-dedication ceremony the majority of comments made indicated that those that served before us did the right thing. He said that Tazewell County has a long history of doing things the correct way. He said we are fortunate that we are not faced daily with the same issues as some other governmental entities. The day may come when our Board may be faced with such challenges. As plans are made for the FY17 budget, in keeping the renewed focus that was brought to light at the re-dedication ceremony, we need to continue to be diligent so that in future years it will show the right decisions were made with no regrets.

He advised the Administrator's preliminary budget work revealed needs. The County may be down in revenue close to a million dollars from State

revenue. That is a best guess at this time. The deficit is to be kept in mind this year while planning the budget. He asked that Ferrill look at line items and set some guidelines to layout the expectations with the understanding that some may not be able to meet the guidelines. Those will be considered on a case by case basis. The key is open communications.

Ferrill provided the Committee with a spreadsheet to guide the members through several options to consider. She advised that PSST, income taxes and personal property taxes are down. Some reductions will hit at the same time.

She provided six options to consider by removing revenue that is in question and decreasing expenditures from 1% to 5% and what the outcome would look like. The proposal for budget parameters for FY17 is a 2.5 decrease in expenditures for commodities and contractual, total capital limited to FY16 levels, asking all for capital expenditures projected for the next five years and a three month postponement on filling vacant positions.

Chairman Neuhauser stated this is an attempt to give all an idea of the affect. Contingency will be discussed at budget time.

(Member Connett in at 3:54 p.m.)

Chairman Neuhauser pointed out that his goal is to bring the budget down to what is expected to be spent. Reductions are needed.

Grimm clarified the parameters last year had contractual increased by 3% and commodities and capital held the same as FY15. The previous year was flat.

Harris asked what the lowest level for capital or commodities would be. Chairman Neuhauser stated that has not yet been discussed. There needs to be a benchmark set.

Graff asked if there was an indication on the expenditure side how FY16 will finish. Ferrill stated it was under about 45% and will likely come in lower. Chairman Neuhauser said we have seen a small effect from CAT and Mitsubishi but expects more to show in 2017 and 2018. He said he would like to get the parameters out of Committee so it can be discussed on Board night.

On voice vote, **MOTION CARRIED.**

**MOTION**     **MOTION BY GRIMM, SECOND BY GRAFF** to recommend to approve the bills as presented.

On voice vote, **MOTION CARRIED.**

Chairman Neuhauser recessed the meeting at 4:10 p.m.

(transcribed by S. Beeney)