

WAYS AND MEANS COMMITTEE MEETING

THURSDAY, JULY 9, 2020

9:00 A.M.

MINUTES

MEMBERS PRESENT: Commissioner Joe Brehler, Chairman, Commissioners Lisa Deavers, Brian Lautzenheiser, Blake Mulder, Jane Whitacre and Jeanne Pearl-Wright.

MEMBERS ABSENT: Commissioner Glenn Freeman.

ALSO PRESENT: Commissioners Brian Droscha, Jim Mott and Barbara Rogers; Tim Vandermark, Robert Robinson, Adam Morris, Amy Etzel, John Fuentes and Connie Sobie.

The July 9, 2020, virtual meeting of the Ways and Means Committee was called to order at 9:00 a.m. by Chairman Brehler.

Mr. Fuentes requested to remove Item #16 – 2019/2020 Budget Amendments. Commissioner Pearl-Wright moved to approve the agenda, as amended. Commissioner Lautzenheiser seconded. Motion carried.

Commissioner Lautzenheiser moved to approve the minutes of the June 12, 2020, Ways and Means Committee meeting, as presented. Commissioner Whitacre seconded. Motion carried.

Limited Public Comment – None.

Equalization Director, Tim Vandermark, presented an update of the 2020 Captured Value and provided a summary of the report. The total County revenues captured, including extra voted millages is \$474,272.19. Discussion held.

Treasurer Robinson presented a report of the Foreclosure Stabilization Fund Proceeds Account and provided detail regarding the report. There was discussion regarding the pending tax foreclosure litigation. Treasurer Robinson and Controller Fuentes provided the most updated status on the pending litigation.

Treasurer Robinson presented a resolution regarding the Delinquent Tax Fund transfer to the General Fund and provided a summary of the resolution. Commissioner Deavers moved recommend approval of the resolution, as presented. Commissioner Pearl-Wright seconded. Roll call: Mulder – yes, Pearl-Wright – yes, Lautzenheiser – yes, Deavers – yes, Brehler –yes. Motion carried.

An update of the position vacancies was presented (attached). There is one new vacancy – 911 Public Safety Telecommunicator (Special Revenue Fund). Commissioner Mulder moved to refill the vacancy, as presented. Commissioner Deavers seconded. Roll call: Mulder – yes, Pearl-Wright – yes, Lautzenheiser – yes, Deavers – yes, Brehler –yes. Motion carried.

A resolution to appoint an interim privacy officer under the rules of the Health Insurance Portability and Accountability Act was presented. Given the vacancy of the Benefits Specialist, it was necessary to appoint an interim privacy officer to comply with the privacy and security rules of the HIPAA. Mr. Fuentes is

recommending Connie Sobie, Deputy Controller/Administrator be appointed. Discussion held. Commissioner Deavers moved to recommend approval of the resolution to appoint Connie Sobie as the interim HIPAA Privacy Officer to the Board of Commissioners. Commissioner Pearl-Wright seconded. Roll call: Mulder – yes, Pearl-Wright – yes, Lautzenheiser – yes, Deavers – yes, Brehler –yes. Motion carried.

The MERS Actuarial Valuation for year ending December 31, 2019 was presented. Mr. Fuentes discussed the assumptions within the report and changes from prior years based on experience studies and discussed that this report does not reflect the impact of COVID. The impact to the assumptions based on COVID, would be included in future reports. Changes to assumptions have resulted in a reduction in the funding ratio from 64% to 60%. Eaton County has made changes to the benefits to assist in reducing the unfunded liability. There was discussion regarding the assumptions, the level of changes in the fund balance and future changes as well as the contribution increases.

A resolution to opt-out of service credit purchases for MERS was presented and discussed in detail. Commissioner Mulder moved to recommend approval of the MERS Service Credit Purchase Opt-Out. Commissioner Lautzenheiser seconded. Commissioner Pearl-Wright seconded. Roll call: Mulder – yes, Pearl-Wright – yes, Lautzenheiser – yes, Deavers – yes, Brehler –yes. Motion carried.

The May Health Insurance Expenditure report was presented (attached). The report indicates a favorable variance of \$233,660 compared to the budget projection for both the County and Health Department. The County's portion is a favorable variance of \$214,618. The County's active employees' favorable variance is \$274,435 and the retirees' unfavorable variance is (\$59,817).

An update of the Child Care Fund was presented and discussed (attached). Based on the updated projection of revenues and expenditures the estimated fund balance at September 30, 2020 is \$332,166.

Commissioner Pearl-Wright moved to recommend approval of the payment of the claims against the County in the amount of \$454,393.90 and immediate claims in the amount of \$14,335,932.04 to the Board of Commissioners, as presented. Commissioner Deavers seconded. Roll call: Mulder – yes, Pearl-Wright – yes, Lautzenheiser – yes, Deavers – yes, Brehler –yes. Motion carried.

Limited Public Comment – None.

2020/2021 Budget

The updated projections for the budget were presented. The estimated expenditures are \$39,806,559 and estimated revenues are \$34,029,712. The difference between the requested expenditures and estimated revenues is \$4,823,694. Mr. Fuentes explained there are not many changes presented in this budget update. Public Act 123 includes an appropriation based on expenditures for Public Health and Public Safety expenditures as well as hazard pay reimbursements. There will be a review of the Act this afternoon, which will provide more detail on the use of funds. Based on that information, Mr. Fuentes indicated it would be beneficial to meet Thursday, July 16, 2020 to discuss those updates. Reductions in remaining current year State revenue sharing of up to 95% are anticipated, which based on reports would be replaced with CARES funds distributed on the same revenue sharing formula basis. It is also expected that the FY21 State budget will include significant reductions to statutory revenue sharing.

Commissioner Mulder moved to approve the scheduling of a July 16 special meeting to discuss the 2020/2021 Budget. Commissioner Deavers seconded. Roll call: Mulder – yes, Pearl-Wright – yes, Commissioner Whitacre – yes, Lautzenheiser – yes, Deavers – yes, Brehler –yes. Motion carried.

It was reported that an appropriation for the reimbursement of hazard pay for first responders up to a maximum of \$1,000 per employee was included in P.A. 123. The bargaining units have discussed the request of this payment. The deputies unit has requested the County to apply for the hazard pay funding and will request a memorandum of understanding for a payment. Mr. Fuentes would recommend any payment of hazard pay be based on the appropriation of funds the County actually receives as reimbursement from its State grant request. Commissioner Mulder moved to recommend approval of hazard pay to be based on an amount approved through State appropriation and approval of the development of a memorandum of understanding to the same effect. Commissioner Freeman seconded. Roll call: Mulder – yes, Pearl-Wright – yes, Commissioner Whitacre – yes, Lautzenheiser – yes, Deavers – yes, Brehler –yes. Motion carried.

Commissioner Brehler adjourned the meeting at 10:38 a.m.

The next meeting to discuss the 2020/2021 Budget will be held on July 16, 2020 at 9:00 a.m.

The next regularly scheduled meeting of the Ways and Means Committee will be held on August 13, 2020 at 9:00 a.m.

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Chairman Joseph Brehler