

**PROCEEDINGS  
OF THE  
MACON COUNTY BOARD**

**JULY 27, 2020**

**SPECIAL CALL MEETING**

**Kevin Greenfield  
Chairman**

**Josh Tanner  
Clerk**

The Chairman called the Special Board Meeting to order at 6:00 p.m. with Assistant State's Attorney Mike Baggett present.

Mr. Tanner: Mr. Tanner presented the request for a Special Macon County Board Meeting which is for the purpose of considering a resolution to hire an external accounting firm to conduct an independent audit of the Macon County Treasurer's Office, and for any other business which may properly come before the board.

The Roll Call showed the following members present at the meeting: Mrs. Cox, Mrs. Dawson, Mr. Greenfield, Mr. Gresham, Mr. Holman, Mr. Jackson, Mrs. Little, Ms. Rood, Mr. Smith, and Mrs. Taylor. The following members were present via tele-presence: Mr. Drobisch, Mr. Hogan, Mr. Mattingley, Mr. Noland, Mr. Oliver, and Dr. Zimmerman.

Mrs. Taylor led the members in Prayer.

All led in the Pledge of Allegiance.

Mr. Baggett: Mr. Baggett wanted to remind the board members in the board room as well as any board members on the call, to make sure to be recognized before speaking. Try not to cross talk with other board members so there is no issue with keeping a record or with allowing anyone who is listening over the podcast app to be able to know what is going on or coming up before the county board.

There were no citizens' remarks presented at the meeting.

#### **OFFICEHOLDERS' REMARKS:**

Mr. Yoder: Mr. Yoder said he welcomed the audit of the Macon County Treasurer's Office

#### **SPECIAL BUSINESS:**

Mr. Greenfield: Mr. Greenfield asked Carol Reed if she had a chance to get the email he had forwarded to her.

Mrs. Reed: Mrs. Reed asked if he meant the one about the procedures to be followed. Mr. Greenfield said yes. Mrs. Reed said they got a letter stating what the terms of an engagement might be and the procedures to be followed. Mrs. Reed said the procedures that an audit would entail from the quote they got were as follows: They would review the accuracy of monthly bank reconciliations during the period, for all collector accounts controlled by the Treasurer. They will test the Treasurer's compliance with requirements and procedures for the movement of funds between accounts. They will inspect selected receipts and deposits for collector accounts during the period and take a sample and do tracing through the system. They will reconcile the tax collections recorded in Fike & Fike which is the software, to the deposits made. They will recalculate the property tax

disbursements based on the first installment made by the collector to determine that distributions are calculated correctly. She said that is the outline of what they would do.

Mr. Greenfield: Mr. Greenfield said that where this came from was that at the last finance meeting or the finance meeting before, several of the municipalities that receive the county's tax payments were unhappy or shocked that they only received half of what they normally receive. So, they had some discussions with the treasurer and feel like an internal audit type thing is probably the best thing to get to the root of the problem. Mr. Greenfield said he contacted May, Cocagne & King who supplied the procedures Carol read. The cost will be anywhere from possibly \$8,000 to \$12,000. It could be as low as \$6,000 depending on how in depth they go or have to get to find all the problems and the solutions to the problems.

Mr. Jackson: Mr. Jackson said he received a call today from a gal that said she saw the county board was addressing this issue and found his name in the directory. She told him she takes care of her father's estate and she mailed in the check on the 21<sup>st</sup> of May. It has never cleared the bank as of today. She called the treasurer's office and they told her to check the website and she found that it had been posted on the sixth, but the check still hasn't cleared so she has concerns. Mr. Jackson said he had talked to Ed and will share the details and then Ed is going to dig into it.

Mr. Greenfield: Mr. Greenfield said that has been several of the taxpayer's concerns. They wrote checks and they haven't been cashed, for some up to over 45 days. Obviously they don't want to see that happen and want to get the problem rectified before the next tax installment.

Mr. Gresham: Mr. Gresham asked if they indicated when they could start and how long they anticipate this might take.

Mr. Greenfield: Mr. Greenfield said Mrs. Mansur indicated to him she would start Tuesday or Wednesday of this week.

Mrs. Cox: Mrs. Cox asked where the money is coming from to pay for this audit.

Mr. Greenfield: Mr. Greenfield said Carol has some money in her account that this can be paid from.

Mrs. Reed: Mrs. Reed said the line they have for the regular audit was budgeted for \$109,000; and they used \$104,510. There is about \$4,500 left in that line. Also, in the network EDP line, which is computer stuff for this building, they probably have an extra \$12,000 they will not spend or don't plan to spend. It would come from those two lines.

Mrs. Dawson: Mrs. Dawson asked the name of the company that will do the audit.

Mr. Greenfield: Mr. Greenfield said May, Cocagne & King. They are the ones that are most familiar with our accounting system, and they felt they would probably be the cheapest route to go.

Dr. Zimmerman: Dr. Zimmerman said if they are going to spend up to \$12,000 on this audit, they already have a list of things the audit found. She had a hard time hearing Carol when she read the list of things the auditors would be doing. Dr. Zimmerman asked if they could explain what they would be getting in addition to what they already know. Why do they need this extra expense?

Mr. Jackson: Mr. Jackson said during caucus he and Ed discussed that. Ed said he welcomes working side by side with them because he feels he can glean a lot of information and put some things in place to help the office. He asked Mr. Yoder if that was fair.

Mr. Yoder: Mr. Yoder said yes.

Mrs. Dawson: Mrs. Dawson asked if they are hoping to find more money. What are they hoping to glean from this?

Mr. Greenfield: Mr. Greenfield said one thing is that people's checks are not being held for 45 – 48 days again. They also want to make sure that whatever money is paid in the next installment, that hopefully the county won't have to make two installments to the taxing districts to get them paid. Hopefully they will have all the money in and processed after the September payment. He didn't know what day the payments go out to the taxing districts, but they would receive all of their disbursement at that time instead of just part of it.

Mrs. Dawson: Mrs. Dawson asked if it is written that the county is going to get all of the monies they normally get every year. Is that a gimme?

Mr. Greenfield: Mr. Greenfield said no it is not. He said actually they would like to know what they are not going to get for the coming budget season. Unfortunately, they don't know that right now either. That is information the finance committee would like to know, especially going into the budget sessions starting next month. Unfortunately, they don't know how much has not been collected or where they stand versus last year. That is another question that will be addressed.

Mrs. Dawson: Mrs. Dawson said everybody talks about the pandemic. So, if this year is going to be a short year, then what is to say they are going to collect more money than they already have? Maybe they will just have a short year.

Mr. Greenfield: Mr. Greenfield said the second installment is due in September, so hopefully they will collect the majority of that. When that happens it will get processed in a quicker and more timely manner. That way when the disbursement checks go out to the districts, they will have all of their money at one time instead of like now having to

make another distribution in August to try to get them partly caught up to where they should have been as of now. The districts only got half of what they normally get because the county did not have the money in the bank at the time to give it to them. A lot of the money was tied up in the Treasurer's office.

Mrs. Dawson: Mrs. Dawson said they could still do it in August and asked if that was correct.

Mr. Greenfield: Mr. Greenfield said that was correct. They could make another distribution in August. But, they don't know how much they are behind, or where they are at according to.... He said they don't know where they are going to be....

Mr. Jackson: Mr. Jackson finished the sentence by saying, if they don't know where they are at.

Mr. Greenfield: Mr. Greenfield said they don't know how short they are going to be for the next installment.

Mr. Jackson: Mr. Jackson said state statute mandates that the collections are reconciled in the bank within two business days. Mrs. Dawson said she read that. Mr. Jackson said that should be enough alone let alone 45 days.

Mrs. Dawson: Mrs. Dawson asked if it was going to yield more money, that was her question.

Mr. Jackson: Mr. Jackson said no, but you know what you have in a timely manner. You don't have things sitting around, millions. A perfect example, they had collected by July 17<sup>th</sup> 2019, \$83,000,000. This year on the 10<sup>th</sup> the county made distributions at \$45,580,000 which was 45% of the previous year. So, they asked for a reconciliation by close of business on the 17<sup>th</sup> of July and they found \$22,000,000 more.

Mrs. Dawson: Mrs. Dawson said so if they paid it by August 10<sup>th</sup> they will still only have \$65,000,000 whatever the amount was that he said. They are still going to be down.

Mr. Jackson: Mr. Jackson said they will be down 17.8% roughly.

Mrs. Dawson: Mrs. Dawson said it's still going to be down.

Mr. Jackson: Mr. Jackson said that they hope to make that up by year-end because they are monies due.

Mr. Greenfield: Mr. Greenfield said they were absolutely correct there are people who are not going to pay their taxes this year. They are not going to have the money to pay them.

Mrs. Dawson: Mrs. Dawson said that is what they have been talking about all along, that the expectations are not going to be what they were last year. They will not get what they have in the past.

Mr. Greenfield: Mr. Greenfield said it was important that the finance committee know exactly how much they are not going to collect so when they go into budget season they will know what not to expect.

Dr. Zimmerman: Dr. Zimmerman said the audit is not going to tell them how much they will be short. She didn't think that was the point of the audit. She asked how they are planning to use the information they get from it. For example, if they find some issues they are having in the Treasurer's office and it requires more staff or equipment or something, is the county going to be willing to invest in that at a time when they are asking officeholder's to cut their budgets 4%? She thinks they need to lay out what the expectations at the end of the audit will be going forward.

Mr. Jackson: Mr. Jackson said they would like to find where their gaps are and identify low hanging fruit so Ed could make changes in the office to address. Are they breaking statute? They would like to know that. Surely there have got to be some opportunities. They have heard several times that this is the way they have always done it. Maybe the auditors can work side by side with the treasurer and identify new policies and procedures to be more efficient. Of course they are going to come across situations where they are going to have to spend money, but then they can look at other opportunities to do in lieu of spending. Could they outsource some functions? Things like that.

Dr. Zimmerman: Dr. Zimmerman said so the audit will give them recommendations, not just point out the problems.

Mr. Jackson: Mr. Jackson said that is correct.

Mr. Holman: Mr. Holman said he thought the audit that they had was just finished in June. Mr. Jackson said yes. Mr. Holman asked if that audit made recommendations for changes in the office.

Mr. Greenfield: Mr. Greenfield said it did.

Mr. Holman: Mr. Holman asked if those recommendations have been implemented or are they still where they were at before. He said he was in the dark on this because he didn't see what was happening business wise, other than just following the minutes on the finance.

Mr. Greenfield: Mr. Greenfield asked Mr. Yoder if he wanted to tell them what had been changed or followed with the recommendations.

Mr. Jackson: Mr. Jackson asked Mr. Yoder if it would help if he read the recommendations.

Mr. Yoder: Mr. Yoder said yes because he did not have a copy of the recommendations and he was not prepared to answer for each and every recommendation. They are recommendations.

Mr. Jackson: Mr. Jackson read from the audit: During our audit we noted the bank reconciliations prepared for the treasurer's bank accounts as well as the county clerk's accountant are completely timely including the initials and date of the bank statement reconciliation were performed, however there was no supervisory review prepared. The bank reconciliations are prepared by a person having bookkeeping responsibilities. Due to this lack of segmentation, the duties a supervisory review of the reconciliation be required. Such review would include examination of cancelled checks to make sure vendors are recognized, expenditures are related to the county business, signatures are authorized signers, and endorsements are appropriate. Additionally, outstanding items not clearing the bank within a reasonable period of time should be researched to determine if the charge against the cash is proper and if follow-up was necessary. Furthermore, we noted the bank reconciliations prepared for the collector's bank accounts are not completed timely, allowing several erroneous adjustments and outstanding items to remain unaddressed for several months. Several accounts had numerous old, outstanding items that had not been researched or followed up on during their ultimate disposition. Additionally, when the bank reconciliations were completed and provided to the treasurer for review, they were simply initialed with no supervisory review procedures performed on the balance sheets or reconciliation items. We recommend that the bank reconciliations be prepared timely and reviewed by a trained, independent supervisor to assure accurate balances are maintained and reported. During our audit of the collector we noted there was a great deal of time spent re-keying all the details from the property tax software into the accounting system. That would be Fike & Fike verses Quick Books. We have two stand alones, but you could do one and then reconcile with a report over to the other. It says that they are being double keyed. It would seem more efficient to post batch entries to the accounting software for accounting purposes and maintain the details in the property tax software for property tax purposes. This time spent rekeying is most likely a contributing factor to the delay in preparing bank reconciliations. We recommend reviewing the process to determine if the detail is required in both systems. If so, research a way to import the activity, rather than rekey it. Mr. Jackson said it goes back to what he was telling them, just run a report and run it in. We noted that during busy property tax collection times the checks that come in the mail to the collector are left to accumulate until they are entered into the tax property software. Only after they are entered do the checks get deposited. In order to safe guard the access and for them to be clear taxpayer accounts timely we recommend that all checks and cash be deposited daily, as per the treasurer's documented policies and procedures. During the audit we noted that the treasurer's office employees alternate taking the deposits to the bank. In light of on-line banking environment, we recommend taking advantage of technology, especially remote deposit for creating better efficiencies in processing payments. It would be beneficial to dedicate a single person to manage creating the

deposit work and remote deposit checks. This should allow time savings over hand delivering deposits to the bank. If depositing by hand, consider using an armored truck service. Also, it creates a deadline for when the deposit needs to be done. It adds a level of safety and protection to the assets, over hand delivery. During the audit, as in the past, we noted significant contributions have been received in both cash and non-cash. While the non-cash donations have been put to use in the county's program, it would prudent to have a policy in place that decides whether a gift should be accepted or not i.e. land gifts for significant clean-up required. We recommend devising and implementing a gift acceptance policy to help guide the efforts to the county's initiatives.

Mr. Yoder: Mr. Yoder said that was not on the agenda tonight and he was not prepared to answer each and every question. He said if there were any particular parts they wanted to ask, he would certainly do his best to answer it.

Mrs. Dawson: Mrs. Dawson asked, based on the audit, if he had done anything to implement anything that May, Cocagne & King asked him to do. Prior to this year, is this the first time they have made their recommendations that they made this time?

Mr. Yoder: Mr. Yoder said yes. In the ten years he has been treasurer, that is the first recommendations he ever saw from any audit of the treasurer's office. He said on question 5, and he remember that very well, is about duplication and rekeying properties. He talked to Dave Coe the software engineer. Mr. Yoder stated that Dave Coe said whoever wrote that is illogical. That whole paragraph doesn't make sense. Mr. Yoder said when they send files up to Fike & Fike every night, they are sent back a spread sheet, and the treasurer's office does a summary. It takes 10 to 15 minutes to create the summary, that's it. They don't rekey 3,000 some parcels on a daily basis. That would be overwhelming. He said right at the beginning of the audit it says 7 months old. These are recommendations. Mr. Yoder said it referred to a trained, outside supervisor. He asked them to tell him who that is. He asked if the county had an outside, trained supervisor to recheck reconciliations and bank statements. He wasn't quite sure what title they were going after, but it sounded to him like it excludes anybody in the treasurer's office. Mr. Yoder said they had listed some checks that weren't cashed. Those were sent to taxing bodies. That year he signed 226 separate checks. There are that many taxing bodies in this county, and surrounding counties because they have overlapping jurisdictions or the taxing bodies do. The checks that weren't cashed were never returned and the office received no phone calls. At the end of the year when they do reconciliation of the final abstract, the checks they don't get cashed are turned in to the State of Illinois unclaimed property.

Mr. Smith: Mr. Smith asked in regard to where the recommendation was made about daily deposits and then the state statute regarding monies being deposited within two working days in interest bearing accounts, what Mr. Yoder's plan was on that.

Mr. Yoder: Yoder said he follows the county code. There is a collector code and a treasurer's code. On the collections side of it, when he receives payments they're collections. Once he gets them posted it becomes public record entered into the system



that's when the Public Funds Investment Act kicks in. That is the two-day rule. At that point when they get all that done then it gets deposited into the bank. There are several hundred rules and laws that pertain to the collector and treasurer.

Mr. Smith: Mr. Smith said he agreed but he thinks that is a cop out. It's to be two days. Mr. Smith was just telling him he thinks it's a cop out.

Mr. Yoder: Mr. Yoder said that was Mr. Smith's opinion.

Mr. Smith: Mr. Smith said it is.

Mr. Oliver: Mr. Oliver said the taxes that have been paid in two installments, in July and September. They will not have a real idea of what is going to be behind, how much it's going to be behind, where it is at and who's short because a lot of these people are not going to pay their taxes until September. That happens every year. This year may be a little different since they are in the pandemic situation. He asked if they would have to have another audit to find out what did happen as to why enough money may not be there to cover all of the governmental entities that need it.

Mr. Greenfield: Mr. Greenfield said he was afraid he did not understand the question. He asked Mr. Oliver to explain his question one more time.

Mr. Oliver: Mr. Oliver said what he was saying was that they were going to be collecting taxes in two phases right? Mr. Greenfield said yes that was correct. Mr. Oliver said it was July (actually it is June) and September. Some of the people who have not paid their first installment may not pay until September, and may not pay it at all. When they get through going through the audit, he asked what they are looking for. Are they trying to find out what the amount is that is collected and is on hand, what's short, where it's at, etcetera? He asked what they were really looking for in this audit? He said the way he feels they are going to end up with two of them to try and come up with a definite answer as to what the problem is.

Mr. Jackson: Mr. Jackson said he thought what Mr. Oliver was asking was what they are looking for, what the county is short, if there is any money out there. He asked Mr. Oliver if that was correct. How much they will be short in the future.

Mr. Oliver: Mr. Oliver said they won't know until the September payments are due. They won't have an idea of where it is short, who's going to be short, how much it is going to be short. Is that going to necessitate a second audit?

Mr. Jackson: Mr. Jackson said he was correct that they do want to know where they stand at any one given time for a clean reconciliation of how much they are going to be short.

Mr. Oliver: Mr. Oliver asked if they were looking for recommendations from the auditor in this case or are they just trying to see what is going on as far as the collector's job is

concerned, whether he is getting it all or it's all there and accounted for or just what is going on. He realized some folks still had checks that are outstanding. That is an internal problem. What are they really looking for to resolve the problem of these governmental bodies not having enough money to run?

Mr. Greenfield: Mr. Greenfield said Mr. Oliver was right in that they are looking to make sure all the money is accounted for. He said to keep in mind the treasurer's office takes in a tremendous amount of cash as well, and they want to make sure all the cash was posted as correctly as the checks are supposed to be posted. Mr. Greenfield said when he says a lot of money in cash he means a considerable amount of money in cash.

Mr. Oliver: Mr. Oliver asked if in the meantime there would be a stop order put on any of those monies until the full accountability has been handled. He asked what they were talking about here.

Mr. Greenfield: Mr. Greenfield said there has been a lot of cash that has been in the treasurer's office for a period time. Some of it a pretty long period of time. They want to make sure that is all accounted for.

Mr. Oliver: Mr. Oliver asked if any of it had been disbursed.

Mr. Jackson: Mr. Jackson said not if it is sitting in the treasurer's office.

Mr. Yoder: Mr. Yoder said there is no cash in the treasurer's office except what was taken in today. Everything has been accounted for and reconciled through....

Mr. Oliver: Mr. Oliver asked if it had been disbursed to the government bodies that needed it.

Mr. Yoder: Mr. Yoder said what he had in a disbursement account, all of that is disbursed. Yes.

Mr. Oliver: Mr. Oliver asked if Mr. Yoder understood the question. He asked if any of that money has been disbursed to any of the governmental bodies that are responsible for getting it.

Mr. Greenfield: Mr. Greenfield asked Mr. Yoder how much money he expected to disburse on the 10<sup>th</sup> of August.

Mr. Yoder: Mr. Yoder said he is taking in second installments so those would be part of it. He couldn't give a correct answer. He knew what he had on the 17<sup>th</sup>. It would be \$20,000,000 to possibly \$30,000,000, possibly in that range. Mr. Yoder said he is going to make disbursements on the 10<sup>th</sup> of the month through the end of the year. So, each disbursement is going to be whatever he gets collected during those 30 days.

Mr. Greenfield: Mr. Greenfield asked what the cutoff period is for the August 10<sup>th</sup>.

Mr. Yoder: Mr. Yoder said August 10<sup>th</sup> is a Monday and state law says it has to be disbursed on that 30<sup>th</sup> day, so he would have to reconcile on the 7<sup>th</sup> which is a Friday. He has to make sure all the funds from other banks and credit unions that they collected are transferred to the collector account. Then he will be able to print checks and get them ready to go in the mail on Monday and/or any taxing body can come pick up their payments. He has some taxing bodies in Macon County that do that as well.

Mr. Oliver: Mr. Oliver asked if it would be enough to cover everybody.

Mr. Yoder: Mr. Yoder said he did not know. It is a very unusual year. They are coming from 2018 and 2019 where they had a great economy where everything was open and everything was booming. Then all of a sudden everything went bad this year.

Mr. Oliver: Mr. Oliver asked if he was going to disburse this at a percentage for each governmental body or how is it going to be disbursed by the treasurer's office. If it's going to be short, then who is going to be short and how much is it short and is it going to be a percentage for every governmental body? What is he planning on doing with this money?

Mr. Yoder: Mr. Yoder said he didn't know how Mr. Oliver defined short because he is going to disburse what he has, what he collects. He said they can't compare it to last year or the year before. It is going to be whatever money he gets collected.

Mr. Oliver: Mr. Oliver said maybe he wasn't understanding what Mr. Yoder was saying. He was saying that if Mr. Yoder had enough money to go around then who comes up short and how much because everybody has to be a participant in a shortage or someone is going to receive more of a percentage of what they had coming than anyone else.

Mr. Baggett: Mr. Baggett said the way tax collections work, what Mr. Yoder is indicating is that he will disburse to the taxing bodies on a pro-rata basis so they will each get whatever proportion they are entitled to under the law in the same manner that they always do, whatever he has collected up through the date prior to reconciliation and disbursal. He can't control obviously, and Mr. Baggett didn't think they were asking him to commit to collecting what he collected last year. Mr. Oliver understands that it is not an apple to apples comparison 2020 to 2019. Mr. Baggett thought Mr. Oliver was asking how Mr. Yoder would decide where that money goes to the taxing bodies in terms of what percentages each taxing body gets, and it will be in the same manner that he always does. It's a pro-rata basis based on their share under the law. He asked Mr. Oliver if that answered his question.

Mr. Oliver: Mr. Oliver said yes to a great degree. That was all he wanted to know, how he was going to disburse it and in any kind of fashion that will be equitable to everybody. Also, if someone would receive a higher percentage of what was due determined by their levy. Will one group be fully funded, or mostly funded and how would the shortage be covered? How will it be handled?

Mr. Baggett: Mr. Baggett said if he doesn't collect what he collected last year, year over year if the collections are down because fewer people are paying their property taxes in a timely fashion, then all of the disbursements will be lower than they were last year.

Mr. Oliver: Mr. Oliver asked if they still think one audit is going to cover right now the entire year.

Mr. Baggett: Mr. Baggett said no. August will only be a disbursement of what he has collected between July 9<sup>th</sup> and August 7<sup>th</sup>. Mr. Yoder does not anticipate and no one expects him to disburse the rest of the tax collections for 2020 in August. He is just going to disburse what he has collected between the first installment date and August 7, prior to the second disbursement.

Mr. Oliver: Mr. Oliver asked if he feels this will necessitate a second audit.

Mr. Baggett: Mr. Baggett said he did not understand the question.

Mr. Oliver: Mr. Oliver asked if by the way Mr. Baggett explained this to him, did he think it would rate a second audit after the September collections. The board members had a hard time understanding the question as it sounded on the speaker phone and asked Mr. Oliver to try one more time. Mr. Oliver said they are going to audit if this passes. So, they do an audit now. He asked if they will do one again at the end of the taxing season in September. Would they do a second one?

Mr. Baggett: Mr. Baggett said no. He didn't believe there would be a call for doing a second audit. The purpose of this audit is to do a targeted audit of the treasurer's office which is more comprehensive than what the annual audit of the entire county's finances are that is required by law at the end of every fiscal year. So, this is a targeted audit. It is solely specific to the treasurer's office. The findings that the auditors make as a result of this audit will be delivered to the county board and to the treasurer with suggestions, recommendations and findings by the auditor. It will be to determine if there are any inefficiencies or other things that need to be addressed either by the treasurer's office or by the county board. Whatever the results of this audit are, that is what the county board or treasurer will need to address when they find out what those findings are. They don't know what they are yet. No, after the second disbursement they do not expect another audit to be necessary.

Mr. Oliver: Mr. Oliver asked if there is a time given for this audit to be completed.

Mr. Baggett: Mr. Baggett said as quickly as they can complete it. It will take as long as it takes but they anticipate it would take weeks at the most.

Mr. Oliver: Mr. Oliver asked if he said weeks.

Mr. Baggett: Mr. Baggett said weeks plural. They don't know exactly how long. That is going to be determined by what the auditors find when they get in there. They can't quote a specific time.

Mr. Smith: Mr. Smith said in all of this discussion and listening in to the finance meetings he has not heard any time mentioned direct deposit. He asked if they utilize direct deposit in any way, shape or form outside of payroll.

Mr. Yoder: Mr. Yoder asked if he was talking about direct deposit to the taxing bodies.

Mr. Smith: Mr. Smith said yes.

Mr. Yoder: Mr. Yoder said the short answer is there are 226 taxing bodies, email changes, personnel changes and he would need a dedicated person to go through all of those disbursements on that. He said his answer that he has been doing is the US mail. The addresses very seldom change. If that check is addressed to that taxing body it shows up. The on-line thing is very problematic. He knows of some counties with very few parcels, when he means very few he is talking about maybe 12,000 to 15,000 properties parcels. They are doing that approach. It would be very problematic to do that.

Dr. Zimmerman: Dr. Zimmerman said given the list they already have and it sounds like the treasurer has started to think about some of those recommendations they have already given us, in terms of this more specific audit and she was just not sure how it really works, would it be possible for the treasurer to start to develop answers to those recommendations they've already made. Then would that be part of the audit where they could review those and say alright you are on the right track. She is just worried about this highly specific one when they already have a list of things that he needs to fix then they are left putting them in place and then they don't know if they got put in place correctly.

Mr. Gresham: Mr. Gresham said he thinks Mr. Baggett alluded to it earlier that this is a directed audit. As Macon County they are responsible for collecting the taxes and getting them disbursed to the proper taxing body. They have budgets and do cash flow analysis. They know historically what they expect to get and how they are going to use it and Macon County failed in this tax cycle to deliver what is expected of them. The whole purpose of this audit is to prevent that failure from happening again. Those recommendations that were made, Mr. Yoder is going to have these people in his office and hopefully there will be some dialog and some working out of some of these problems and get a resolution to this problem so it doesn't happen again. That is the whole purpose of this, to get this thing smoothed out so the county is fulfilling its responsibility to the other 200 plus taxing bodies.

Dr. Zimmerman: Dr. Zimmerman said she agrees and understands that purpose. But, what she is saying is they give the county the recommendations and the treasurer does them, but how do they know at the end that he has done them correctly. She said just as a

starting point those recommendations that have already been made, if they start to have him put those in place or outline a plan then that way as part of the audit they can review those, if that is something the audit can even do. That is kind of her question.

Mr. Gresham: Mr. Gresham said he would be very disappointed if those items weren't discussed with the treasurer during this process.

Mrs. Dawson: Mrs. Dawson said discussion and implementation are two different things.

Mr. Gresham: Mr. Gresham said that there has been a report.

Mr. Baggett: Mr. Baggett said he thought what might satisfy Dr. Zimmerman's point is the statement of work that the county enters into with May, Cocagne & King can include a line item that they would ask them as part of their contract to touch on and address the matters that were suggested, recommended in the CAFR for 2019, with respect to the treasurer's office. He said they could ask them as part of the scope of this work to discuss that with him during the course of this audit so as to help either facilitate implementation or at least open a dialog between the auditor and treasurer with respect to why these things may or may not be practical. They could include that in the scope of work that May, Cocagne & King have with respect to this directed, targeted audit.

Dr. Zimmerman: Dr. Zimmerman thanked him because like Pat said the implementation is going to be different than just recommending. If they can instruct the treasurer to begin thinking about how he might implement those she feels that would be an effective use of the audit.

Mr. Jackson: Mr. Jackson said he agreed with Dr. Zimmerman. He feels they should further get some performance metrics, KPI's out of the deal to where at the end of the day they can look and see how the office is performing. If they go to the back of the audit that MCK provides, every department has them with the exception of the treasurer's office. So, there really are no KPI's in the back of that book. That would be another take away also.

1. Mr. Greenfield presented Resolution G-5166-07-20 which is approving engaging in an external accounting firm to conduct a limited scope audit.

## **MOTION**

Mr. Jackson moved, seconded by Mrs. Little to approve Resolution G-5166-07-20.

## **ROLL CALL.**

Ayes: Cox, Drobisch, Greenfield, Gresham, Hogan, Holman, Jackson, Little, Mattingley, Noland, Rood, Smith, Taylor, Zimmerman

Nays: Dawson

**AYES = 14**  
**NAYS = 1**

**MOTION CARRIED. (OLIVER DID NOT VOTE ON RES. G-5166-07-20)**

**MOTION TO ADJOURN**

Mr. Smith moved, seconded by Mrs. Little to adjourn the meeting.

**MOTION CARRIED.**

Meeting adjourned at 6:55 p.m.