

County Finance Committee Meeting

Minutes – June 2, 2017

Attendees

The County Finance Committee (the “Committee”) met on Friday, June 2, 2017 at 12:00 p.m. in the Lucas State Office Building, Capitol Complex, 321 E 12th Street, Des Moines, IA, Room 142.

Committee members present were: Jane Heun, Janine Sulzner, Andy Nielsen, Grant Veeder, David Farmer and Patricia Wright. Members absent were: Mark Edelman and Russ Hopp. Also present were: Carrie Johnson, Department of Management (DOM), Julie Jetter and Jan Heikes (Heikes via phone), Department of Human Services (DHS) and Marlys Gaston, Auditor of State. Two regional CEOs attended via phone- Jill Eaton and Jodi Eaton.

Unless otherwise noted, all actions carried unanimously.

Chairperson Sulzner called the meeting to order at 12:03 p.m. Introductions were provided.

Approval of Agenda

Moved by Veeder, Seconded by Wright to approve the agenda. Motion carried.

Approval of Minutes

Moved by Wright, Seconded by Heun to approve the minutes of the November 19, 2015 County Finance Committee. Motion carried.

Election of Officers

Election of officers-chair and vice char. Veeder moved Sulzner as Chair. Seconded by Heun. Motion carried. Veeder moved Heun as Vice Chair. Seconded by Farmer. Motion carried.

Mental health redesign-Addition to Chart of Accounts (COA)

Jetter reviewed a handout from the MHDS regional CEOs regarding a potential COA code for provider incentive payment. She shared that a separate code is needed to avoid reporting it under services and therefore over-reporting persons served. Jetter stated this would not be an administrative cost per the regions and would not be reported by client but in a lump sum. Nielsen questioned why incentives are paid. Jodi Eaton shared that it would be due to value based contracting with higher rates paid based on outcomes and Polk County is the only one using this method actively but others may. Nielsen stressed this concept really needs to be part of the agreed upon rate and contract, not an on-top or in-addition situation.

Slight modifications were made to the initial language to result in the following object code:

377-MHDS Contract Provider Incentive Payment

Moved by Veeder, Seconded by Wright to add the object code. Motion carried.

Mental health redesign-Changes due to SF 504

Johnson provided a general overview of the changes put in place by SF 504. Johnson shared the status of FY18 MHDS levies as of 06-02-2017. Two counties increased, eleven were required to decrease by SF 504 and a handful decided to reduce further.

The Committee discussed the SF 504 language and legislative intent regarding fund balance spend down. Farmer shared his impression that intent was to allow for encumbered funds by contract. The Committee determined a need for clarification and clear direction regarding what shall be submitted in the future.

Nielsen moved, Seconded by Heun for Chair Sulzner to appoint an informal taskforce including DOM, DHS, a regional fiscal agent, a county auditor/budget director, a CEO and other players deemed appropriate to review items related to SF 504, including the fund balance matter and reporting of obligated and encumbered funds and expenditures. Chair determined the taskforce will include Sulzner (county auditor), Farmer (regional fiscal agent), Jetter (DHS), Johnson (DOM), Jodi Eaton (regional CEO) with Johnson as Chair. The task force has a deadline of September 1 with a report to the County Finance Committee at a September meeting. Motion carried.

Other Additions to Chart of Accounts

Johnson reviewed a few potential Chart of Accounts additions. Slight modifications were made to the initial language to result in the following additions:

Governmental Fund Types

GENERAL FUND

County Attorney Recovery (Section 602.8107) 0008

Jail Commissary Fund 0009

Object Codes

MHDS Contract Provider Incentive Payment 377

Contract Utility Service 427

Revenue

Iowa Access Grant 2702

Farmer moved to include the additions. Seconded by Wright. Motion carried.

DOT Portion of Driver’s License Fee

Nielsen reviewed an issue which came to his attention regarding DOT driver’s license fees. These fees are not reported in the county agency fund because they are held by DOT. The piece collected by county treasurer that goes directly to DOT account and is never held (and therefore never reported) in the county agency fund. DOT then distributes the county’s piece to the individual county.

GASB 77/GASB Update

Nielsen reviewed the Governmental Accounting Standards Board (GASB) Statement 77 and shared the sample note developed by the Auditor of State's Office to be included in financial statements beginning with FY17. Johnson demonstrated a tool to help Tax Increment Financing (TIF) authorities generate the information needed to disclose tax abatement information to other entities per GASB 77 requirements. The tool will be available online.

Nielsen reviewed several other pending GASB statements.

Other Business

Johnson shared with the Committee that DOM received an appropriation from the Technology Reinvestment Fund to upgrade the local government valuation system.

Adjourn

Meeting was adjourned at 1:57 p.m.