

## **Scioto County Board of DD Finance Committee Meeting on August 1, 2013**

Held in Room 210 of Vern Riffe School

5:30 PM

1. **Roll Call:** Present were Chairman J. Michael Thoroughman, Rodney Barnett and Klaire Purtee. Attending ex-officio were: Superintendent James Krumer, Director of Finance Matt Purcell, Director of Community Services Julie Monroe, and Board Member Richard L. Bolin. Adult Services Director Kelly Hunter joined the meeting in progress.

2. **Quarterly Report:** Mr. Purcell reporting

April, May and June 2013 were the months under review. On the expenditures report, Mr. Purcell noted that the salary line item amount is averaging below projections. The 'contract services with agreement' line was also emphasized because it is a large one (\$2.7 million) from which Petermann and STAR, Inc. are paid. Mr. Purcell explained that it serves as an indicator of service expansion. This line is modestly over projections, but may even out by the end of the year. Importantly, the goal set earlier in the year to reduce costs by five percent in 2013 is on target.

A mention was made regarding the revenue report, but it was not reviewed in depth. There was a brief discussion before Mr. Barnett made a motion to recommend approval of the quarterly report. Mrs. Purtee seconded. The motion was approved unanimously.

### **ACTION ITEM: Recommend approval of the Second Quarter Fiscal Report**

3. **Staff Salaries:** Mr. Krumer reporting

Although a three percent raise was built into the budget for this fiscal year, Mr. Krumer pointed out that there are serious uncertainties such as the cost of employee health insurance and the program's overall need to reduce costs to extend current revenue dollars. There was a discussion on the possible ramifications of the Affordable Care Act on budgeting and other insurance purchase options.

Calculations of a three percent pay increase for the remainder of this fiscal/calendar year (about \$36,500 conservatively), as well as the cost for next year (about \$110,000) were presented to the Committee for consideration. These figures included raises for administrators. A discussion ensued about management contracts, with Mr. Barnett expressing his displeasure at Mr. Krumer's decision to exercise his authority to issue 12-month contracts to management employees whose contracts were renewed in the past year.

Although in favor of giving staff a raise, Mrs. Purtee expressed her concern for how the taxpayers would perceive this decision when it came time to go back on the ballot to request more levy dollars. This was also discussed.

In the end, Mr. Barnett made a motion to recommend that the Board give non-management staff a three percent raise to be effective with the first pay in September. Mrs. Purtee seconded. The motion was approved.

**ACTION ITEM: Recommend a three percent raise for non-management staff effective with the first pay in September.**

Since a special meeting was planned for later in the evening, it was agreed to mention this proposal to the other board members then.

**4. Transportation Services Contract:** Mrs. Monroe reporting

It has been nearly five years since the Board contracted with Petermann, Ltd. The company has changed hands and names during that time and is now National Express Corporation. The Committee has the opportunity to recommend offering the contract up for public bidding or entering into negotiations with National Express. Mrs. Monroe advocated for a public bidding process to demonstrate the Board's commitment to responsible stewardship of tax monies. She noted, however, that there is no legal requirement that this service be opened to public bid. Mr. Krumer noted that if a different provider is chosen, the Board is obligated to pay off the balance due on the bus garage mortgage, which is just over \$100,000.

Mrs. Monroe stated that the day-to-day operations of the service have been running smoothly with the few complaints being handled quickly. There was some work required on our part when the on-site management changed, but there has been much progress on these issues since then. There was some discussion on the route development process and a lengthy exchange regarding other potential transportation options for adults.

One suggested option was to have STAR, Inc. enter the bus transportation business. Mr. Thoroughman directed Mr. Hunter to prepare financial information to present to the Committee at its meeting next month regarding STAR's ability transporting individuals who live within the city limits.

Mr. Thoroughman made a motion that the Committee recommend that the Board send the transportation contract out for the bidding process, and that the request for proposals stipulate that the Board will pay on a per-passenger basis. Mrs. Purtee seconded. The motion was approved.

**ACTION ITEM: Recommend that the Board request the Commissioners issue an RFP for transportation services on a pay per passenger basis.**

**5. Discussion:** Ohio Revised Code 5126.0221 – Individuals Disqualified from Employment by the Board

Mr. Krumer quoted from ORC 5126.0221, which states that among the people who cannot work for a county board is: “...(1) An employee of an agency contracting with the county board...”

He noted that the County Board is in conflict with this law in regards to employees in both the Adult Day Services and Community Employment programs. In July 2011, the privatization of STAR, Inc. began with the approval by the SCBDD that when an Individual Support Facilitation (ISF) position on the SCBDD table of organization (TO) become vacant, the position would be automatically abolished. In tandem with this, STAR, Inc. agreed to add an ISF position to its TO to cover the responsibilities assigned to that position.

Mr. Krumer stated that he had brought this before the Finance Committee to ask the Committee to be involved with the development of a more formal plan for moving STAR, Inc. gradually, but inevitably toward autonomy. He emphasized that there was much to be considered, many variables and pitfalls that need to be thought through.

Mr. Thoroughman directed Mr. Hunter to develop the outline of a plan with time lines over the next year and a half.

**6. Adjournment:** The Committee adjourned by acclamation at 6:46 PM.

Prepared by Margaret Compton

Submitted by:

Stephanie Childers, Recording Secretary