

**PERRY COUNTY COMMISSIONER AND COUNTY COUNCIL
JOINT MEETING MINUTES**

April 10, 2025

The Perry County Board of Commissioners and County Council met at 11:00 a.m. as was duly advertised. Commissioners: President Randy Cole (RC), Pam Jamniczky (PJ), and Rebecca Thorn (RT) were in attendance, and Council: President Kelli Harding (Kelli), David Etienne (DE), Gale Garner (GG), Stan Goffinet (SG), Paul Brockman (PB) Cory Filley (CF), and Brad Harth (BH). Auditor Kristinia Hammack and Sheriff Alan Malone were also present. There was no *Attorney* or *News Representative* in attendance.

The meeting began with the Pledge of Allegiance.

RC stated this is a joint meeting for the purpose of reviewing the EDIT funds and how they were handled the past few years, and also in 2025.

APPROVAL OF AGENDA

DE made a motion to approve the agenda as presented, seconded by PJ. Motion carried 10-0.

DISCUSSION ON EDIT FUND 1112 CASH BREAKDOWN TO TRANSFER TO NEW FUNDS

RC stated this dealt primarily with the Sheriff's Department. Auditor Kristinia Hammack responded that this is the only one with an issue, and wanted to discuss what came to this. Last year, Hammack requested to separate the EDIT dollars into funds. With fund accounting, account lines do not carry cash balances; they only carry appropriations. In Fund 1112, there is the cash balance, but it is divided into different pie pieces that go in there. These are Economic Development, Courthouse Security, Major Building Maintenance, Special Projects, Highway Projects, and Jail Operations. By dividing this out, you would be able to actually see the cash balance of each of these.

Hammack stated that in March, 2025, the Council passed the Ordinance to set up these funds. She, along with First Deputy Kelli Wilgus, worked together to break down the \$1,486,415.90.

The money that the County received in 2025 for EDIT dollars has already been receipted into the new funds.

While trying to sort out the amounts, Jail Operations is in a negative balance. Hammack stated the problem came to be in 2024. There was a change in the EDIT Plan. The previous EDIT Plan was based off of percentages. When the County received the Supplemental, it would divide that out based on the percentages. Hammack does not feel this is the only issue. More has been spent than was brought in.

Hammack stated that in 2022, Jail Operations receipted in \$268,480.68, and expended was \$262,867.06. In 2022, more money was brought in than was expended. In 2023, the amount of money brought in was \$349,508.32, and the amount that was expended was \$309,501.45. Again, more money was brought in than was expended.

RC stated what he has written down, what would have been allocated for the Jail, was \$304,781, based on in 2023 it as 23 ½ percent of what was brought in. Economic Development was \$1,426,638, so 23 ½% of that takes it to \$304,781. RC does not know what else is being included to get to the \$349,508.32.

Hammack presented to RC the Revenue Report, and RC stated he only has the EDIT Plan that the Commissioners put together. Hammack stated that by the amount that the County receipted, along with the Supplemental as well, it was divided out in percentages that year. RC stated there would be an additional of \$42,672, with Hammack responding the amount of Supplemental that went in there in May was \$42,672.31. In January, February, and March, the amounts were \$27,398.33. Hammack stated she believes the Commissioners did an amendment to the EDIT Plan in March, 2023. Then in April, the amount changed to \$25,398.44. RC asked Hammack if she did not back out the amounts, and she responded no, the EDIT Plan did not go into effect until then.

RC stated that with the EDIT Plan in 2023 and since the Jail was paid off in 2022 with the Special Legislation, it was \$.50 that went away. However, at that time, the County was struggling in a couple of areas. What was done is add back in \$.09 to the EDIT; \$.05 went to Building Maintenance, \$.02 went to Certified Shares and \$.02 went to Public Safety. The EDIT Plan at that time was 50% Highway, 20% Economic

Development, and the 30% was a split between Jail and Security, which the Jail got 23 ½% and Security with 6 ½%.

Hammack stated those changes went in effect in April, 2025.

RC stated that Hammack is reporting that in that year, she did not set anything aside for Building Maintenance for the first three months. Hammack responded correct however, the EDIT Plan amendment did not go into effect until April. In addition, nothing was said to go in and amend those. Hammack stated the EDIT Plan did not go into effect until April, so it would go into effect going forward.

Hammack stated January, February, and March is a different amount. Once the amended plan went into effect, then April on forward is when it was done. She was never told to go back and adjust the first three months.

RC stated that Supplemental was spread according to the percentages, and that is not in the EDIT Plan. Hammack responded that always before, plus having a discussion with DE regarding dividing it and how to do that, DE stated to her that the County had always divided it by percentages before. Furthermore, Hammack stated that if this needs to be done differently, she has not been told to do this. Going forward, the Supplement has not been divided out, it has gone into Special Projects. RC verified this; the County just did that to clarify this with a written document.

Hammack stated she is good with whatever, but what RC is talking about will make the negative even more, and Hammack wants to get this fixed. RC responded he is just trying to bring clarity to where the County actually is number wise.

Hammack stated that in 2023, when she was seeking counsel from Baker Tilly on the Annual Financial Report, one of the issues that was brought to her attention that the County had its EDIT dollars coming in and they were going from a 7000 account, which is a receivable account, and just being expended. Some funds went into General, some in Jail Operations as it already had a fund, and some into 1112.

For budgeting purposes, the Council needs clear pictures. It was said that all of the County EDIT dollars need to go into 1112 first. That way, if a report is pulled to see the annual revenue, it would be all there. Then they can be expended.

In 2024, all of the Jail Operations money began going into 1112, which was originally going into 4927. In addition, the Courthouse Security, which was going into General, started going into 1112.

Hammack stated in 2024, the County had a Correction of Error due to the Special Legislation was put into 1112 in error, and it should have gone into 1114. The income was \$274,166.52. The expenditures were \$316,932.35. In 2024, the County expended more money than was brought in. In addition, there was some revenue that was still remaining in 4927 from 2023.

RC asked Hammack where the County was at the end of 2024, and was the Jail the only issue? Hammack stated that at the end of 2024, the Jail was negative \$176,386.47 and have expended \$133,620.64 out of it this year. Therefore, it was negative \$42,765.83.

RC asked Hammack, with the rest of the funds ok, what the process is to spend EDIT dollars. What triggers the ability to spend \$1 out of the EDIT account? Hammack responded that a budget is entered for the Jail, and the appropriation is entered into the financial software. A claim comes from the Jail. RC asked if the Jail fills out the claim form, they write down the fund number, and the Jail requests payment of that. Hammack responded correct. RC asked if it is then sent to the Auditor's office, and Hammack responded yes. RC asked that Hammack reviews the claim, and she responded yes. RC asked is it then brought to the Commissioners to sign off on, and Hammack responded yes. RC asked that because it is already an EDIT approved fund, the Council does not have any involvement, and Hammack responded correct.

Hammack stated that the reason that the negative is not seen is that they are not going over their appropriation. The cash was overspent, but the appropriation did not go over.

RC stated that in 2024, in the EDIT Plan, \$274,166.55 was allocated for Jail Operations. He asked Hammack if that is in the Budget book, with Hammack stating the amount of revenue, no. He asked this question based on Hammack stating earlier that in 2025, they had a huge sum in there, so it would not trigger anything. RC asked what was it in 2024 which would have come through, and was it in the Budget book for 2024? Hammack

stated that the Budget book only hold expenditures. RC then asked what is the difference in 2024 versus now in 2025, being the revenue that Hammack stated they budgeted \$390,000? He is trying to see how that is correlated. Hammack stated that she feels at budget time, there needs to be more time spent and look at the revenue. RC wondered how the County overspent \$42,000.

RC stated that in these situations, normally there is a request for money, the Auditor approves it, the Commissioners sign off on it, and it goes through the process. If anyone spends in excess of what is allocated, then they must come in front of both the Commissioners and Council for additional appropriations. Hammack responded that they do not submit a budget on this. RC questioned that had some other entity, for instance the Highway Department, would have come in and started submitting claims, as long as there was a cash balance in 1112, the claims would have been approved and money set out? Why is the Jail Operations different? Hammack responded this is due to the appropriations that were set in there. The only appropriations that are entered is Economic Development. Hammack stated that she knows the County cannot pay more than \$180,000. The Highway is \$700,000. RC stated that is really not right. Hammack stated that is the amount that the Council approved. RC stated that he sent Hammack the spreadsheet on the EDIT Plan. The Highway gets allocated \$640,000 for 2024. In 2023, they got \$648,472.60, however, that is based on twelve months where the County had percentages taken out in order to generate the \$.05 into the Building Maintenance fund. Kelli stated that the numbers that are presented to the Council at budget time are the numbers they have to use as being accurate. Hammack responded that the LIT Economic Development amount comes from the contract, therefore, \$180,000 is listed. With the Jail, Hammack stated that the Council moved a lot of items. RC asked Hammack if they are looking at 2024 or 2025? Hammack stated 2025.

RC stated that the EDIT has always been based on the EDIT Plan. The Council does not have a say in it. DE stated that the previous plan was simpler, as it was based on percentages. However, now it is not; it is based on actual dollars. DE further stated that what is in the EDIT Plan is what needs to be followed.

Discussion regarding how Jail Operations spent \$42,765.83 over what the EDIT Plan called for in 2024. Hammack stated in the 2024 Budget, the adopted budget was \$307,836. RC asked how was it funded? Hammack responded EDIT money, with RC asking 100%? In 2024, \$274,166.55 was set aside from the EDIT Plan. DE asked if the \$307,836 was based on a percentage? Hammack stated it did not go to flat dollar amounts until 2024.

RC stated that \$316,932.35 was reported as spent in 2024, and asked what the Budget book list that was available for Jail Operations? Hammack responded \$307,836. RC responded that that account was overspent roughly \$10,000. RC asked if no one monitors going above the budget by \$10,000? Hammack stated that an additional appropriation of \$10,000 was done in July 26, 2024 out of 1112 by the Council. RC asked who did this, as the EDIT Plan has to be followed.

After reviewing paperwork for the July 2024 appropriation, it was determined that it should have come out of 1114, not 1112.

RC summarized. The number put in the Budget book was not the EDIT Plan number. Based upon that, that is how the Jail spent the money for 2024, based upon the book, not the actual EDIT Plan. That is how the additional \$42,000 came about, with over \$10,000 of it being an appropriation in July 2024, which should have been out of fund 1114, not 1112. Then at that point, additional money that the Jail did not have would not have been spent.

Hammack presented the amounts to be moved for 2025.

Discussion regarding Courthouse Security. It has a balance of \$75,833.40. Hammack stated that every deputy is budgeted out of the General fund, and paid their salary out of fund 1000. Hammack stated that the Courthouse deputy is budgeted out of General, but \$75,833.40 is being put in Courthouse Security to offset it. Due to having different people performing this duty, there is no way to know if that salary is more or less than the \$75,833.40. When the change was made where everything went into 1112 in 2024, that money never was moved to General. There were no expenses for Courthouse Security in 2024. The \$75,833.40 that is in 1112 should be moved to General.

RC asked if Hammack did not say that the account numbers 41, 42, and 43, those all revert at the end of the year and they do not carry balances forward? Hammack responded correct. However, the \$75,833.40 is still sitting in the cash balance of 1112. RC asked that it is not allocated to Courthouse Security, it is just in the lump sum of cash, and Hammack confirmed this.

Hammack stated that in March, the Council approved to set these Ordinances to build these EDIT funds where everything will have its own. Hammack has to take that money and determine how much is moved to Courthouse Security.

RC stated that right now, the money for Building Maintenance, Courthouse Security, and Special Projects is all in 1112, without actual connection to a service. When Building Maintenance was set up, the County wanted that fund to build to have available funds for necessary things within the County. RC stated the intent was to roll it into the following year, and build a balance so that when faced with some challenges, the County will have money available. This has not happened, but with establishing new funds, the cash balance will not revert.

RC's thought for 2025 is that it really has not over spent due to still being in 2025. The problem is that approximately half of the money is in the first quarter of the year. That amount being \$274,122, and the amount spent is \$133,620.64. RC stated he does not know if all the Jail Operations is being pulled out of EDIT money, or are there any other funds that have been set aside for Jail Operations that have not been touched. RC asked if the entire budget for Jail Operations, if it pulls from four to five sources, have those remained untouched so that those balances can carry on through the year? Hammack responded there is some in Public Safety. RC asked what the total amount is for the Jail Operations budget? Hammack responded for Jail Operations out of General, the budget is \$649,079, and out of LIT Public Safety it is \$295,270. Out of EDIT dollars, the Jail Operations is \$398,023. Kelli stated this needs to be lowered to \$274,122. This is for 2025.

RC asked Hammack how much has been expended out of that account, with Hammack responding she would have to run a report to get that amount.

DE initiated discussion regarding the LIT Jail Operations budget in 2025. He asked how it came to be \$398,023, with Hammack stating that the Council moved some things. DE felt it had to do with the amount that was being spent out of Special Legislation is part of that.

Discussion regarding the movement of amounts in the 2025 Budget.

Hammack stated that Jail Operation expenses paid so far in 2025 out of General is \$269,434.63, out of LIT Public Safety \$99,160.09, with RC adding the amount out of EDIT is \$133,620.64. RC stated that Jail Operations is way over budget.

RC stated that if the County uses the proper EDIT money, the \$274,122, then the total would have been \$1,218,515.55. If the \$398,023 which the Budget book says, it would be at \$1,342,372. Taking that inflated number and dividing it by 25%, which is a quarter of the year, the County should have spent \$335,593, and \$502,215 has been spent.

Hammack responded that the County needs to find out if those maintenance contracts were all paid up front in full. RC asked if there is \$165,000 in contracts, as this is the amount spent above 25% of the budgeted costs.

RC stated that Jail Operation overspent by \$42,000 in the 2024 EDIT money due to the Budget book having more in it, but it was not allocated in the Edit Plan. One of the other categories is going to come up \$42,000 short, whether it is Highway, Jail, Security, Building Maintenance, or Special Project, due to having a limited pot of money.

RC feels more information needs to be gathered on current operations to where the County is. Hammack will meet with the Jail to go over each of their expenditures, and get an estimate of what expenditures they have left, and provide that information to the Commissioners and Council.

The meeting was adjourned at 12:34 p.m. CST.

Randy Cole
President

Pam Jamniczky
Vice-President

Rebecca Thorn

Kelli Harding
President, County Council

Minutes reviewed by:
Kristinia L. Hammack, Auditor
Minutes prepared by:
Leisa M. Ecker, Deputy Auditor