

February 24, 2003

The regularly scheduled meeting of the Cleveland County Budget Board was called to order this 24<sup>th</sup> day of February, 2003, in the conference room of the County Office Building by Chairman Leroy Krohmer. Roll was called by Dorinda Harvey, County Clerk/Secretary and those present were:

Leroy Krohmer, Chairman  
Denise Heavner, Vice-Chairman  
Dorinda Harvey, Secretary  
Bill Graves, Member  
Rhonda Hall, Member  
George Skinner, Member

Members F. DeWayne Beggs and Sandra DeSelms were absent.

Others present were: Vickie Wilson, Tammy Howard, Donna Roberts, and Pam Strawn.

After the reading of the minutes of the regular meeting of February 10, 2003, Bill Graves moved that the minutes be approved. George Skinner seconded the motion.

The vote was: Leroy Krohmer, yes; Denise Heavner, yes; Dorinda Harvey, yes; Bill Graves, yes; Rhonda Hall, yes; George Skinner, yes.

Motion carried.

Chairman Krohmer called for discussion with Vickie Wilson, Budget Maker on GASB 34, new accounting procedure.

Vickie Wilson stated that she was hoping to explain it a little easier and more down to earth than the last presentation. The bottom line is that the Standards Board came out and decided to come up with a financial model that most people could understand. The Standards Board has tried to get the government financial statements to look like and be understandable like any other business. There would be more of an income statement, a balance sheet, and the balance sheet would have the fixed assets and depreciation just like a business. Mrs. Wilson stated this is what it basically comes down to. Mrs. Wilson explained what would have to be done in order for this to happen. Mrs. Wilson stated that if the Budget Board decided not to go with GASB 34 that the Auditors Office is going to issue what they call a special purpose report but she does not know what it is going to entail. Mrs. Wilson stated that she was concerned if the County ever went out for bonds, because when the County goes to issue bonds, the bond market will not look very strongly at the bonds with a special purpose financial statements instead of general accepted accounting standards. Mrs. Wilson did not know if this would ever affect any lease agreements. Mrs. Wilson stated that she thought it could cost about \$100,000.00 to \$150,000.00 to hire someone or a firm to come in and do this and of course this is something that the County would want to go out for bid and not just choose someone out of a hat. Mrs. Wilson suggested that in the bid that we specify that there be some type of system for maintaining the fixed asset records, not just someone to come in and do it but that they have a computer program that will enable the County to update

through out the year and not to have them pay them every year. Mrs. Wilson voluntarily agreed to call the County's bond Attorney Glen Floyd and see what he thinks.

Chairman Krohmer asked if the Board would like to have Mrs. Wilson come back to the next Budget Board Meeting after she has spoken to Glen Floyd and the answer was unanimous.

George Skinner moved, seconded by Denise Heavner, to table discussion with Vickie Wilson, Budget Maker, on GASB34, new accounting procedure.

The vote was: Leroy Krohmer, yes; Denise Heavner, yes; Dorinda Harvey, yes; Bill Graves, yes; Rhonda Hall, yes; George Skinner, yes.

Motion carried.

It was discussed when the Budget Board would start working on next years budget.

Dorinda Harvey, County Clerk, stated that she would get the paperwork out the end of March.

The Board will start working on the budget in April.

There being no further business to come before the Board, George Skinner moved that the meeting be adjourned. Denise Heavner seconded the motion.

The vote was: Leroy Krohmer, yes; Denise Heavner, yes; Dorinda Harvey, yes; Bill Graves, yes; Rhonda Hall, yes; George Skinner, yes.

Motion carried.