

May 27, 2003

The regularly scheduled meeting of the Cleveland County Budget Board was called to order this 27th day of May, 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
Saundra DeSelms, Member
Bill Graves, Member
Rhonda Hall, Member
George Skinner, Member

Member F. DeWayne Beggs, was absent.

Others present were: Kerrie Hudson, Mike McDanel, Tammy Howard, and Donna Roberts.

After the reading of the minutes of the special meeting of May 14, 2003, and there being no additions or corrections George Skinner moved that the minutes be approved. Denise Heavner seconded the motion.

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

George Skinner moved, seconded by Dorinda Harvey, to approve the following Transfers of Appropriation.

- a. From Highway General Maintenance & Operations, SA2, \$107,166.67, to Highway General Capital Outlay, SA3.
- b. From Assessor's Maintenance & Operations, H2, \$3,000.00, to Assessor's Personal Services, H1A.
- c. From Assessor's Revolving Maintenance & Operations, CFHRE2, \$13,000.00, to Assessor's Capital Outlay, CFHRE3.
- d. From OSU Extension Travel, E1C, \$4,465.00, and OSU Lease Purchase, E5, \$1,588.70, to OSU Capital Outlay, E3.

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

Chairman Krohmer called for the presentation from Mike McDanel on IRS Regulations. Mr. McDanel stated that he would make a brief presentation and then let the Board Members go over the information that Dorinda Harvey, County Clerk, had given each one, prior to the next meeting. Mr. McDanel stated that Leroy Krohmer, Dorinda Harvey and himself had a meeting with Pat O'Neal from the Internal Revenue Service last week. July 1, 2003, is the date talked about to get these regulations fully implemented, so there is a little time to go through the material and come back with questions. Mr. McDanel had told Mrs. O'Neal that he understood that this is the law and that the IRS tends to enforce it. Right now the IRS is in the educational phase and at sometime there will be a compliance phase. Areas talked about were cell phones, uniforms, county provided vehicles, and meal reimbursement. The position of the IRS is anything that is a benefit to the employee above and beyond their salary is a wage.

The County Clerk with an input from each supervisor will include on an employee's W2 that amount at wages and tax the same. Mr. McDanel went through each of the items addressed above separately. On cell phones a percentage would be used as far as how many personal calls were made. Uniforms would have to be labeled with visual markings enough to be identified as a uniform so employees could not use them as personal clothing. Meal reimbursement if an employee does not spend the night or in need rest would be taxable. The use of county vehicles is fairly complicated. This is for employee that use county owned vehicles for personal use including going to and from their home. A clearly marked police car is appropriate and not taxable to the employee and Mr. McDanel went over a list of qualified vehicles, which would include large fuel tanks installed in the pickups and hydraulic lifts in them etc. There is a per day bases to be taxed upon which is \$3.00 for round trip or you can use \$.36 a mile.

The Elected Official travel was discussed and it would also have to be figured different, two checks could still be issued but taxes would be figured as if it were one check or the seconded check would be taxed at 27%.

Mr. Krohmer stated that there are individuals who work for the county that their spouses also work for the county and are riding in the county provided vehicles with them to work and as far as Mr. Krohmer is concerned that is a no-no. More discussion took place on that issue. This need agenda item needs to be put back on for our next meeting to give the officials time to review the material.

Denise Heavner, County Assessor, stated that she just wanted to let the Budget Board know that at our last meeting where this Board gave the Equalization Board permission to extend it's meeting period, was the correct Board to make that decision per State Statute.

A thank card was read from the Cary family.

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

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