

CLEVELAND COUNTY BUDGET BOARD

MINUTES

MONDAY, MARCH 13, 2017

The regularly scheduled meeting of the Cleveland County Budget Board was called to order at 10:30 a.m. this 13th day of March 2017 in the Conference Room at 122 E. Eufaula, by Chairman Harold Haralson. Tammy Belinson, County Clerk/Secretary, called roll and those present were:

Harold Haralson, Chairman
Jim Reynolds, Vice-Chairman
Tammy Belinson, Secretary
Rod Cleveland, Member
Sheriff Joseph Lester, Member
Darry Stacy, Member
David Tinsley, Member
Marilyn Williams, Member

Others present were: Assistant District Attorney Jim Robertson, Assistant District Attorney Heather Darby, Linda Atkins, Alison Vinson, Sarita Scott, Melinda Duke, Bryan Jenkins, Brenda Hill, John Roberts, Christi Morren, Bryant Rains, Annette Pretty, Earl Cox, Thomas Maupin, Caleb Slinkard, Walter Wells and Doug Warr.

After the reading of the minutes of the Regular meeting of February 13, 2017, and there being no additions or corrections, Darry Stacy moved that the minutes be approved. Marilyn Williams seconded the motion.

The vote was: Harold Haralson, yes; Jim Reynolds, yes; Tammy Belinson, yes; Rod Cleveland, yes; Sheriff Joseph Lester, yes; Darry Stacy, yes; David Tinsley, yes; Marilyn Williams, yes.

Motion carried.

A. Items of Business:

1. Chairman Haralson called for discussion and/or action about Request for Emergency Funding for the Cleveland County Detention Center for the rest of the FY 2016/2017.

Sheriff Lester said that he will need an additional \$135,000.00 to meet payroll this week. By the end of this fiscal year it will be almost another million plus dollars, not counting the reimbursements coming in for prisoners. He said that this was not as a result of misspending, because they have operated off cash funds and cannot continue to do that since the funds are not reliable.

Commissioner Cleveland questioned the Sheriff on outstanding reimbursements.

Sheriff Lester said that the DOC runs about sixty days behind and when they do get reimbursed, it is not always the amount billed for some reason. January into February's bill is around \$46,541.00, which has not been received. They have not billed for February or March.

Commissioner Stacy asked if they had submitted a bill to the City of Norman.

Sheriff Lester said they have January's bill and added that the money is not counted until deposited in the bank.

Commissioner Stacy said that is correct but he should know how much the bill is for as an estimate of reimbursement funds.

Sheriff Lester said that number is included in what he needs.

Tammy Belinson asked what budget account is having the shortage.

Sheriff Lester said that it is for payroll, which is out of Detention. The three were separated as Tammy Belinson recommended years ago into Operations, Detention and Courthouse.

Tammy Belinson said that she was just curious.

Jim Reynolds asked at what point Sheriff Lester realized that there was not enough money to make payroll.

Sheriff Lester said he had concerns last year during the budget process, but when he discussed this in September 2016 with Jim Reynolds and Commissioner Stacy in this room after a meeting, letting him know that he was on the way of being a million short that was the time he found out about it.

Jim Reynolds said, "To clarify that conversation, since you brought that up, I have talked to you for over three years and I assume that goes all the way up to you, expressing that you have spent much more than you are bringing in and you must do something. Finally, we did set in this room and did have that discussion. You and I after Commissioner Stacy left for about forty-five minutes; I expressed that under no uncertain terms that you were going to go broke someday. I assumed that it would be next year. I still believe that next year if you don't get a control on whether it is the Detention Center spending or Patrol spending or otherwise, you bring in a lot of numbers and you may suggest that you are not getting everything that you want and I know some years your requests were eight or ten million dollars more than the year before and you want a lot. You don't seem to have the 2016 and the 2017 amount requested on here. My understanding is I do recall Rhett walking in and telling us that he could live with that budget and that you guys could use all available funds to take care of it. That was some of the things that we discussed."

Commissioner Cleveland said that the agenda item that the Board is to consider is for requesting emergency funds. He offered a proposal and a solution to get the Detention fund through the month of March and the Sheriff can keep working on his accounts on the money that he has, but the sales tax collected,

received in February and they would normally go ahead and do the transfer of Sales Tax for over March meeting in two weeks for next week the Justice Authority is approximately \$179,636.00 in April they would do the March one. He asked for a Special Meeting for March 14, 2017 so they can try to get two months' worth of Sales Tax allocations to the Sherriff's office so that they could get that approved by the 15th for this month's appropriations which is \$333,295.16. They can do that by tomorrow and get it in by the 15th cut off and be appropriated so the Sheriff can use that money this month. Now it is not any extra money, it is money that already is allotted and scheduled. There will be a similar situation come April 15th and every month, but he thinks that they need it all laid out as to the balances they now have and the reimbursement cash revenue anticipated that is going to come back in. They need to see that number where they are close if there are any transfers within the Sheriff's office in the Sheriff's Accounts that they can request a transfer so they can get through to the end of the fiscal year.

Jim Reynolds said, "You are right, this gets a bit bigger and this does give the picture of next year's budget. I would suggest this also, what we are doing today is ultimately going to decide and 2023 when the Sales Tax runs out. Is this board, Sheriff included, willing to find solutions internally to solve their problems or are we going to have to go to the voters of Cleveland County and tell them that the Sales Tax will be disappearing at some point and overnight they are going to have to fund. They are not going to be getting more services. They are only going to get what they are getting. So this is a bigger picture, but I have specific questions to you Sheriff. Are you, I heard that you weren't willing to pay your people, even if you have resources enough in other funds from a reliable sources, but you tell me, do you have funds in other accounts that you can pay your people with that you are refusing to use?"

Sheriff Lester asked, "In the cash accounts?"

Jim Reynolds said, "In any accounts."

Sheriff Lester said, "No."

Jim Reynolds said, "You do not?"

Sheriff Lester said that Number "1", constitutionally; the Commissioners are to fully fund the jail, period. Number "2", it is also an Attorney General's opinion that he cannot use any cash funds to count on to make his budget for the jail or for operations or anything else.

Jim Reynolds asked, "They forbid you from using your cash funds to pay your people?"

Commissioner Cleveland said, "No, what that means..."

Chairman Haralson asked for legal counsel to respond.

Commissioner Cleveland responded by saying that he can explain it and at this point Commissioner Haralson said, "Rod, let the attorney handle it."

Jim Reynolds said, “You are the Chair.”

Commissioner Cleveland said, “I know it better than the Attorney.”

Chairman Haralson said, “Rod, I am the Chair, let the attorney answer.”

Assistant District Attorney Jim Robertson said, “I want to make myself clear that the Sheriff handed me a partial opinion from the Attorney General opinion. I don’t have a style on it and a case name specifically because there are excise board counties. As you all know this is a budget board county. I am not going to sit here and agree or disagree with the Sheriff on that point at this time. I reserve the right to look at it before giving an opinion, but I do want to qualify that the opinion does speak to excise board counties not budget board counties.”

Commissioner Cleveland said to qualify the Sheriff’s point, the County Clerk has fees and those fees, by law are to go back into the pot for reallocation. He asked Tammy Belinson if that was correct.

Tammy Belinson said, “The Document Fees, yes.”

Commissioner Cleveland discussed the Sheriff’s fees being similar to the Commissioners’ road accounts.

Chairman Haralson recognized Jim Reynolds.

Jim Reynolds asked, “So, Joe, my question would be if the District Attorney for our county says you are able to use funds in various accounts which have money in them, are you willing to do that to pay the people who are working for you?”

Sheriff Lester asked which funds he is talking about.

Jim Reynolds said, “Any. Do you not care enough? I will take that question back for a second. Is your salary in jeopardy of not being paid this year?”

Sheriff Lester said, “Mine is not because thanks to this board the operations division of the Sheriff’s Office is fully funded. The Courthouse was fully funded.”

Jim Reynolds said, “We were talking about your salary.”

Sheriff Lester said, “We are talking about the other. I have a letter written to Sheriff Edwards in Canadian County from the State Auditor & Inspector’s Office that says, ‘it is my understanding that special cash funds created for various county offices such as Sheriff’s service fee were intended to enhance the funding level available but were not intended to fund operations. They’re for the discretion of the Sheriff.’ Now we don’t have any of those funds left because we have already used them. You’ve got that in there too. I told you last week, you weren’t here, that some of those funds were restricted. We have \$54,000.00 in one of those funds that is for the Command Center. It was donated. It was for that purpose. We have a drug fund, we are restricted on that.”

He asked Court Clerk Marilyn Williams this question, “You just went to a class what did they tell you?”

Marilyn Williams said, “You cannot use your cash funds as part of the budget.”

Chairman Haralson recognized Jim Reynolds.

Jim Reynolds said, “You are telling us all the funds are restricted. The question that this board wants to know and I would like to know as a budget board member is what funds are available. Let’s go back to the original question; if the DA says that you have funds in other accounts that you can pay your people are you willing to do it?”

Sheriff Lester said, “I am not going to respond to that because I don’t know what funds you are talking about. You obviously think I have funds hidden somewhere, is that it?”

Jim Reynolds said, “No, I think they are sitting out there pretty easy to discover, Joe.”

Sheriff Lester said, “You said in a meeting that I only needed \$200,000.00 or in the paper, I read in the paper.”

Jim Reynolds said, “Yeah, Joe.”

Sheriff Lester said, “You said I needed \$200,000.00, then why did you tell me in this room that I was going to be a million short?”

Jim Reynolds said, “Because you had ample funds committed. Sheriff, you are committed to use those funds throughout the year to fund the jail. From multiple sources, Joe, that was the commitment that was made. Now, I don’t know if you were here at Budget Board for that vote but it was approved.”

Sheriff Lester said, “I can tell you, I just handed you a sheet. Did you get one of the copies of the first request for the Sheriff’s office, Tammy? Commissioner, did you get one?”

Tammy Belinson answered affirmatively.

Sheriff Lester said he sent this in March, almost a year ago. They requested, at that time, a total of \$5,312,000.00. It included what they anticipated getting from housing other prisoners. That wasn’t good enough. When the Under Sheriff first went in, he requested \$7,500,000.00 to operate the jail. Then, this was our first request and he signed it. The second one, he sent on April 5th because that wasn’t good enough and because in the end, instead of the \$5, 312,000.00 they got \$2,850,000.00.

Jim Reynolds said, “And you signed that one too.”

Sheriff Lester said, “Yes, I signed that one too.”

Jim Reynolds said, “I want to leave the subject alone, but I do want some clarification, so I don’t misunderstand.”

Sheriff Lester said, “That one was turned down and yet again, on May 20, 2016, we were sent another one that says come up with this number, \$2,620,424.00. Now that doesn’t make sense to me, but in an effort to be a team player we worked on that because the Under Sheriff was told if you run out of money come back to the Budget Board and we will fund it. Well, we have now used all of our cash which didn’t start last year or the year before, it started many years ago and we are out of cash.”

Darry Stacy said, “So, that is my question, Mr. Chairman. In April 30, 2015, your Under Sheriff as your designee said the goal is to put as much of your cash funds into the jail and in Budget Board in April 11, 2016, Under Sheriff said the only change from last year is a couple of vehicles and some equipment. Detention will get funding from other appropriated funds to cover the difference. So the plan was to use the cash funds to do it. So my question is very simple, are there cash funds still there, and I guess that this is to you or Tammy, that are available to use to cover payroll?”

Sheriff Lester said, “Tammy that is a question for you then.”

Tammy Belinson said, “I have account balances if you guys would like to look. There are only certain accounts that he can use towards that, but, yes.”

Commissioner Cleveland said, “The only one I see is the Sheriff Administration where there is still \$1.2 million.”

Sheriff Lester said, “That’s for payroll.”

Tammy Belinson said that is for Administration and the second one is Detention.

Commissioner Cleveland said, “But that doesn’t get him through the year without knowing what the reimbursements on some of these are because we still have, if we do what we do tomorrow and have that money available to, which is \$330,000.00...”

Tammy Belinson said, “That would be in your Sales Tax Account.”

Commissioner Cleveland discussed that \$330,000.00 is one pay period.

Sheriff Lester said, “Once again, we have them broken down into three areas. The Administration and Operations should have money to get through the end of the year. The Courthouse should be the same. Both of those were fully funded. The Detention has never been fully funded, since I have been Sheriff, to be fully funded. It wasn’t funded under Dewayne Beggs, as you will recall, for those of you who were here when he came in, there was a huge medical issue in the jail where we had 1.2 or 1.3 million dollars in unopened and unpaid medical bills. We worked through that. The jail is expensive. The jail, I operate, but it has to be funded.”

Jim Reynolds asked, “So, for my clarification.”

Sheriff Lester said that the answer is no.

Jim Reynolds asked, “You will not fund your people with the resources?”

Sheriff Lester said, “Not unless I know what you are talking about and I don’t know what you are talking about.”

Jim Reynolds said, “Not in all my years, Sheriff, did I ever imagine that an elected official anywhere that would say that I’ve got money to pay my people, but I refuse to do it, but I’m going to get my salary, my check’s good. This is a first.”

Sheriff Lester said, “Well, you know, yeah, I have money. You were the one that said I have money. Then, I say where?”

Jim Reynolds said, “If you are broke then you are not going to be bothered by agreeing to pay them with every available resource.”

Sheriff Lester said, “This is why the State is in the problem it is in because you took money from other places and put it in places to fund it. We have the same issues with the Department of Corrections. Because it has never been fully funded, so let’s not have it happen here. Let’s protect the citizens of this county, the employees that work there and even the prisoners at the jail. It hasn’t been and you knew it wasn’t when you voted on it. I have voted against this budget in years’ past and again I had to sign this, signing it or not signing it, you cannot sign it. Isn’t that correct, Tammy?”

Tammy Belinson said, “The State Auditor’s on the final budget require us to sign, yes, whether you voted for it or not. That is their indication that each elected official looked at the budget.”

Darry Stacy said, “But we did vote for it? Everybody voted unanimously. I guess another one of my questions to you, he says that he has got it in three different areas, I thought that one of your major complaints or has been is the moving of personnel from one account to the other. If we strictly are only going to pay people out of whatever silo that they are in ...”

Tammy Belinson said, “To leave those numbers of slots.”

Darry Stacy said, “We haven’t been doing that though. We have been moving them from place to place. Is that correct?”

Sheriff Lester asked Tammy Belinson where they are being moved.

Tammy Belinson said, “Well, they get moved around from different cash funds to administration to your detention budget. When we decided on the budgets and I spoke to your ladies about this on Administration, you budgeted for about 65 people and then out of the Detention Budget you budgeted for 116, but if you see at the beginning of this, you do account for some of the Sales Tax. So, that 116, some of that is taken out of Sales Tax. My biggest concern was, if you budgeted 65 people out of Administration Budget, keep that number of people and don’t go over. Stay right at that number. Then on your jail administration, your detention area and your patrol guys split it up amongst your sales tax and your budget that you were given

and keep that number of slots. Don't one month or one pay period move them around. That's where I felt like we were not getting true numbers. ”

Sheriff Lester said that the money that they were transferring to fund those people came out of the cash funds, out of the Administration, Sheriff's Service Fee. The cash fund that the State Auditor's Office said that they are not required to use, but being a team player they moved employees in and out.

In response to Darry Stacy's discussion regarding the cash funds, reimbursements and other accounts, Sheriff Lester said, “According to what you are saying there is a lot different money wise than what I am saying, maybe you bring in the State Auditor and see where that money went.”

Jim Reynolds said, “I will second the motion.”

Sheriff Lester said, “I did not make a motion.”

Jim Reynolds **moved** that we bring in the State Auditor to audit from the time the jail opened to look at the Sheriff's funds.

He said that the Sheriff will support it since he asked to have his funds looked at as an operational audit.

Rod Cleveland said, “I don't see that on as an agenda item, am I missing that? Right now we are on request for emergency funding.”

Assistant District Attorney Jim Robertson said that the Board of County Commissioners can make a request to the auditor.

Jim Reynolds moved to **make** a recommendation to the Board of County Commissioners to call for an audit.

David Tinsley seconded the motion.

The vote was: Harold Haralson, yes; Jim Reynolds, yes; Tammy Belinson, yes; Rod Cleveland, no; Sheriff Lester, yes; Darry Stacy, yes; David Tinsley, yes; Marilyn Williams, yes.

Motion carried.

Darry Stacy said, “We got side tracked. My question is, we are sitting at 8.6 million budgeted, 7.5 to run the jail and that is not including Cash Accounts or reimbursements. So to your point, maybe we need somebody to look at this. I will tell you right now, whatever we need to do to fully fund our operations, I am for that. That's why I think we have had an extremely good working relationship for the last three years with your Under Sheriff on the budget and putting it together and doing this. So, if there is now an issue that we need to address, a short fall and the money is not being appropriated appropriately then I am for let's find out what it is and then let's do it.”

Rod Cleveland said, “Since you said fully fund, can we define fully fund?”

Sheriff Lester said, “What the Law requires.”

Rod Cleveland said, “What is fully fund?”

Sheriff Lester said, “To fully fund the jail is 7.5 million a year. We discussed this in the Jail Trust Authority meeting the other day about funding it. Fully funding it for the cost of the jail and employees, all the contracts, medical, food and repairing items. Then keep all these cash accounts strictly for the jail, for the jail in the next year you can back those out. Does that make sense?”

Rod Cleveland said, “So you are saying you can back out cash funds?”

Sheriff Lester said, “For the jail.”

Rod Cleveland said that he can account for cash fund balance and said he thought they did fully fund it. He asked for details of where they missed it and then they can get it fully funded.

Sheriff Lester said, “Here is where I think part of the issue is. When you look at all of our cash funds and what they added up to last year or whatever 3, 2 or 1 million, that covers all of our cash funds for all the areas. Okay, as I said earlier some of those are restricted for what you can use them for and you can’t count all of those. You can’t say the Sheriff has that much cash. Working as a team, I and the Under Sheriff talked about this, because apparently the county appeared to be in some type of need for assistance before the three of you were elected or even before when Rusty was still here and George was here, we still utilized cash funds, if you will remember...”

Rod Cleveland said, “I have expressed to you all the time that I understand that and I want, I don’t see a problem of having balances that revolve in those cash funds, but you have to account for it. Now what you are saying if fully funding means my Estimate of Needs is ‘x’. I get that out of General Revenue Budget. I don’t account for my cash funds over here because those are to the discretion of the Sheriff. So those can build up and I can buy whatever and do whatever.”

Sheriff Lester said, “You mean like a car...”

Rod Cleveland said that he meant anything, such as Maintenance and Operations, for example.

Sheriff Lester said, “I think when the auditor comes that is an auditor’s question to ask.”

Rod Cleveland said, “When the auditor comes to audit the County, they will audit the cash funds to make sure there are P.O’s...”

Sheriff Lester said he didn’t think that it says that and asked Marilyn Williams to respond since she recently went to a school.

Marilyn Williams said, “I went to County Budget Process School. They say Cash Funds are not supposed to be used. It is supposed to be Ad Valorem tax.”

Rod Cleveland said, “Right, Estimate of Needs is not your budget, Estimate of Needs is Estimate of Needs. You may not get appropriated your Estimate of Needs. You may get a lesser amount. Once you get appropriated then that is your budget. All right, Estimate of Needs is not the same as your budget, because you don’t always normally get your Estimate of Needs. You have to list your Estimate of Needs, because it is Estimate of Needs of whatever, but there is only so much money in that total that we can split up between 8 elected offices and other departments that we have and so...”

Sheriff Lester said, “I understand that.”

More discussion followed about the budget for next year, Darry Stacy said the goal for next year is to fully fund out of General Fund. He said they will know this next year the amount of the cash funds.

Sheriff Lester said that what they are saying is that he has to use the Sheriff Service Fees for the jail. He added that a lot of things were not foreseen such as losing state prisoners. For example, a lot of their money goes in to the housing of prisoners. He has one prisoner that has been in jail for three years and has not been to trial.

Rod Cleveland said that the jail is a jail, not a prison and now it is housing prisoners.

Sheriff Lester said that 62 are waiting to go to prison. DOC has leased their facility and they closed down the facility at Granite. They are moving all their community work centers to Granite and working out of there.

Darry Stacy said, “With the 3rd Pod open, we are making money on those prisoners.”

Rod Cleveland said the agenda item right now is for request for Emergency Funding for the Cleveland County Detention Center.

After further discussion, Rod Cleveland said that they have to know what is needed, because they can’t approve anything unless they know a number.

Chairman Harold Haralson suggested tabling this item until a later time.

Rod Cleveland moved to table to another time for an Emergency Meeting, March 14, 2017 at 2:00 PM.

Motion died for lack of a second.

Assistant District Attorney Jim Robertson advised that this would legally constitute an emergency.

Rod Cleveland moved to **strike** this item from the agenda. Darry Stacy seconded the motion.

The vote was: Harold Haralson, yes; Jim Reynolds, yes; Tammy Belinson, yes; Rod Cleveland, yes; Joseph Lester, yes; Darry Stacy, yes; David Tinsley, yes; Marilyn Williams, yes.

Motion carried.

Tammy Belinson reaffirmed the Emergency Meeting is set for 2 PM, March 14, 2017.

2. **Melinda Duke updated** on the Purchasing Department by saying she is working on PCards, getting an affidavit and will get the PCards ordered.
3. **No updates at this time** on Human Resources Department.
4. **Requested Transfer of Appropriations regarding the following:**

Darry Stacy moved, seconded by Marilyn Williams, to **approve**:

- a. From **County Clerk**, CFFP2, County Clerk Preservation Fee M & O, \$250,000.00 to **County Clerk**, CFFP3, County Clerk Preservation Fee Capital Outlay, \$250,000.00;

The vote was: Harold Haralson, yes; Jim Reynolds, yes; Tammy Belinson, yes; Rod Cleveland, yes; Joseph Lester, yes; Darry Stacy, yes; David Tinsley, yes; Marilyn Williams, yes.

Motion carried.

Darry Stacy moved, seconded by David Tinsley, to **approve** as follows:

- b. From **Fair Board** (FY2014-2015), FF2, Fair Board M & O, \$13.38 to **Fairgrounds** (FY2017), FG2, Fairgrounds M & O, \$13.38.

The vote was: Harold Haralson, yes; Jim Reynolds, yes; Tammy Belinson, yes; Rod Cleveland, yes; Joseph Lester, yes; Darry Stacy, yes; David Tinsley, yes; Marilyn Williams, yes.

Motion carried.

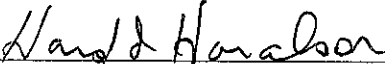
B. No new Business for discussion at this time.

C. Budget Board Members discussions regarding **County Business** concerned a legislative update of conceal carry for elected officials. Tammy Belinson asked that the different offices remind their employees to schedule a body scan before the cutoff date on April 30, 2017.

- D. At approximately 12:12 PM and there being no further business to come before the Board, Darry Stacy moved, seconded by David Tinsley, to adjourn the meeting. The vote was: Harold Haralson, yes; Jim Reynolds, yes; Tammy Belinson, yes; Rod Cleveland, yes; Joseph Lester, yes; Darry Stacy, yes; David Tinsley, yes; Marilyn Williams, yes.
Motion carried.

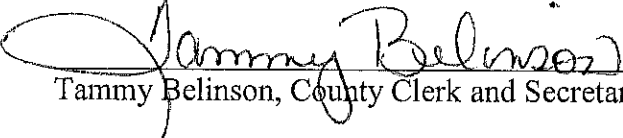
(Clerk's Note: The agenda was posted on March 10, 2017 at 8:14 am.)

BUDGET BOARD
CLEVELAND COUNTY, OKLAHOMA

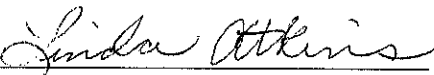


Harold Haralson, Chairman

ATTEST:



Tammy Belinson, County Clerk and Secretary to the Board

Minutes Prepared by: 

Deputy County Clerk

