

COMMISSIONERS COURT ADJOURNED TO EXECUTIVE SESSION AT 10:15 A.M. ON TUESDAY, JANUARY 16, 2001.

AGENDA ITEM 27

Discuss proposed right of way for SH 45: (EXECUTIVE SESSION REQUESTED as per VTCA Govt Code 551.072 pertaining to real property.)

No action taken in Executive Session.

AGENDA ITEM 28

Discuss parkland acquisition: (EXECUTIVE SESSION REQUESTED as per VTCA Govt Code 551.072 pertaining to real property.)

No action taken in Executive Session.

AGENDA ITEM 29

Discuss pending litigation: Julie Town v. Williamson County (EXECUTIVE SESSION REQUESTED as per VTCA Govt Code 551.071 pertaining to consultation with attorney)

No action taken in Executive Session.

COMMISSIONERS COURT RECONVENED FROM EXECUTIVE SESSION AT 11:18 A.M. ON TUESDAY, JANUARY 16, 2001.

AGENDA ITEM 30

Consider declaring an emergency and acknowledging additional revenue
 from General Fund cash ending balance for \$100,000.00
 (to transfer funds to Payroll Account)

Human Resources Director John Willingham, auditor Julie Kiley, Treasurer Vivian Wood, and Human Resources Assistant Lisa Zirkle addressed the emergency transfer of funds.

Moved: **Judge Doerfler**

Seconded: **Commissioner Hays**

Motion: To declare an emergency and acknowledging additional revenue
 from General Fund cash ending balance for \$100,000.00
 (to transfer funds to Payroll Account)

Vote: 4 - 0

< Attachment >

Questions To Be Addressed:

- 1) Is the P2K HR/Payroll System processing funding and payments out of the Payroll Bank account correctly?
- 2) Are the retirement payments being processed correctly?
- 3) Are the Scott & White Health Plan payments being processed correctly?
- 4) Why did this problem come up now and has not come up before?
- 5) What do we do to resolve this issue?

Payroll Bank Account Analysis for December - Funding vs. Payments

Transaction Date	December 1, 2000	December 15, 2000	December 29, 2000	January 16, 2001	Monthly Total
Funding Amount					
General Fund	1,449,212.50	1,569,072.91	1,469,051.41		4,487,336.82
CSCD	121,226.70	122,814.16	120,853.91		364,894.77
Health District	113,321.06	115,501.65	114,169.90		342,992.61
Total Funding	1,683,760.26	1,807,388.72	1,704,075.22		5,195,224.20
Net Employee Checks					
	(911,781.29)	(979,364.23)	(921,095.99)		(2,812,241.51)
Escrow Checks					
Federal	(148,086.65)	(166,729.44)	(150,622.97)		(465,439.06)
FICA	(192,253.30)	(206,865.56)	(193,224.59)		(592,343.45)
Fund Select	(890.37)	(890.37)	(890.37)		(2,671.11)
Deferred Comp	(10,730.04)	(10,555.04)	(10,730.04)		(32,015.12)
Life	(2,957.31)	(3,228.13)	(3,026.36)		(9,211.80)
LTD	(2,879.77)	(3,061.43)	(2,900.28)		(8,841.48)
Flex Med	(1,329.52)	(1,329.52)	(1,329.52)		(3,988.56)
Flex Dep	(1,403.31)	(1,403.31)	(1,403.31)		(4,209.93)
Benefits (includes SWHP)	(177,556.69)	(177,603.98)	(179,024.40)		(534,185.07)
Garnishments/Sundries	(15,881.67)	(16,251.86)	(16,339.59)		(48,473.12)
Retirement	(218,010.34)	(240,124.33)	(223,487.80)	681,728.44	105.97
SWHP - Paid 12/01/2000				(32,527.87)	(32,527.87)
SWHP - Transfer from Benefits				45,590.22	45,590.22
Total Remaining Balance	0.00	(18.48)	0.00		13,043.87

Variance for Month based mostly on Monthly Payment to Scott & White vs. Bi-weekly Deductions/Contributions

Payroll Bank Account Analysis for Employer Portion of Retirement

Date of Transaction	Employee Deductions	Employer Contributions	Payments	Subtotal	Monthly Variance	Cumulative Variance
Balance Forward for Illustration Purposes of Transactions since 7/2000						
July 14, 2000	\$83,269.61	\$119,908.24		\$203,177.85		\$203,177.85
July 28, 2000	\$83,368.52	\$120,050.67		\$203,419.19		\$406,597.04
8/15/2000 (July)			\$406,531.08	(\$406,531.08)	\$65.96	\$65.96
August 11, 2000	\$83,073.33	\$119,625.59		\$202,698.92		\$202,764.88
August 25, 2000	\$82,902.25	\$119,379.24		\$202,281.49		\$405,046.37
9/15/2000 (August)			\$405,751.31	(\$405,751.31)	(\$770.90)	(\$704.94)
September 8, 2000	\$83,256.58	\$119,889.48		\$203,146.06		\$202,441.12
September 22, 2000	\$82,973.83	\$119,482.32		\$202,456.15		\$404,897.27
10/15/2000 (September)			\$405,354.91	(\$405,354.91)	\$247.30	(\$457.64)
October 6, 2000	\$82,749.25	\$119,158.92		\$201,908.17		\$201,450.53
October 20, 2000	\$87,637.18	\$126,197.54		\$213,834.72		\$415,285.25
11/15/2000 (October)			\$415,968.15	(\$415,968.15)	(\$225.26)	(\$682.90)
November 3, 2000	\$90,153.28	\$129,820.72		\$219,974.00		\$219,291.10
November 17, 2000	\$90,465.61	\$130,270.48		\$220,736.09		\$440,027.19
12/15/2000 (November)			\$440,602.76	(\$440,602.76)	\$107.33	(\$575.57)
December 1, 2000	\$89,349.72	\$128,660.62		\$218,010.34		\$217,434.77
December 15, 2000	\$98,412.76	\$141,711.57		\$240,124.33		\$457,559.10
December 29, 2000	\$91,594.61	\$131,893.19		\$223,487.80		\$681,046.90
1/15/2001 (December)			\$681,728.44	(\$681,728.44)	(\$105.97)	(\$681.54)

Payroll Bank Account Analysis for Scott & White.

Cash Flow Problems occur in four areas:

- (1) timing of payment vs. timing of employee deductions and employer contribution
- (2) timing of monthly remittance payments vs. biweekly payroll deductions and contributions (i.e., 2 deductions/contributions do not equal a monthly payment)
- (3) employees are covered until the end of the month & we must pay for full month payments even if termed employees only receive one check in terminating month.
- (4) terminating employees may or may not "even out" on deductions vs. County payments (i.e. employee terms in April after only 8 bi-weekly payments which do not equal 4 months of County payments.)

Date of Transaction	Employee Deductions	Employer Contributions	Payments	Subtotal	Monthly Variance	Cumulative Variance
Balance Forward for Illustration Purposes of Transactions since 7/2000						
July 1, 2000			\$34,594.20	(\$34,594.20)		(\$34,594.20)
July 14, 2000	\$8,135.00	\$7,439.51		\$15,574.51		(\$19,019.69)
July 28, 2000	\$8,045.00	\$7,403.90		\$15,448.90	(\$3,570.79)	(\$3,570.79)
August 1, 2000			\$34,248.71	(\$34,248.71)		(\$37,819.50)
August 11, 2000	\$8,010.00	\$7,347.11		\$15,357.11		(\$22,462.39)
August 25, 2000	\$7,940.00	\$7,233.53		\$15,173.53	(\$3,718.07)	(\$7,288.86)
September 1, 2000			\$32,676.40	(\$32,676.40)		(\$39,965.26)
September 8, 2000	\$7,882.31	\$7,138.15		\$15,020.46		(\$24,944.80)
September 22, 2000	\$7,871.54	\$7,138.15		\$15,009.69	(\$2,646.25)	(\$9,935.11)
October 1, 2000			\$33,519.35	(\$33,519.35)		(\$43,454.46)
October 6, 2000	\$7,796.54	\$7,006.37		\$14,802.91		(\$28,651.55)
October 20, 2000	\$7,928.03	\$7,116.97		\$15,045.00	(\$3,671.44)	(\$13,606.55)
November 1, 2000			\$34,195.63	(\$34,195.63)		(\$47,802.18)
November 3, 2000	\$7,870.00	\$7,052.33		\$14,922.33		(\$32,879.85)
November 17, 2000	\$8,065.00	\$7,364.83		\$15,429.83	(\$3,843.47)	(\$17,450.02)
December 1, 2000			\$32,527.87	(\$32,527.87)		(\$49,977.89)
December 1, 2000	\$8,350.00	\$7,558.75		\$15,908.75		(\$34,069.14)
December 15,2000	\$7,400.00	\$7,093.42		\$14,493.42		(\$19,575.72)
December 29, 2000	\$7,955.00	\$7,233.05		\$15,188.05	\$13,062.35	(\$4,387.67)
January 1, 2001			\$43,582.16	(\$43,582.16)		(\$47,969.83)
January 12, 2001	\$7,345.00	\$11,021.40		\$18,366.40		(\$29,603.43)

*Average of \$731.28 per month.

Selection Criteria

Budget

WILLIAMSON CO

Amount Type

Year To Date Extended

Period

JAN-01

Encumbrance Type

ALL

Funds Available (USD)

Account	Budget	Encumbrance	Actual	Funds Available
1.0880.0000.210210	0.00	0.00	53,594.79	<53,594.79>

Encumbrance Amounts

Requisition

0.00

Purchase Order

0.00

Other

0.00

Account Description

Williamson County.PAYROLL FUND.Default.DUE TO SCOTT & WHITE

Cash Flow Example of Individual Scott & White Premium Billing vs. Payments
(Does not reflect true premium rates - rates used for illustration purposes only)

<u>Month</u>	<u>Billing Due Date</u>	<u>(A) Billing/ WmCo Pmts</u>	<u>(B) Cumulative Billing</u>	<u>Pay Date</u>	<u>(C) Employee Deductions</u>	<u>(D) Employer Contributions</u>	<u>(E=C+D) Cumulative Ded/Cont</u>	<u>(B-E) Outstanding Balance</u>
January	1/10	\$100.00		14	\$10.00	\$36.16	\$46.16	
			\$100.00	28	\$10.00	\$36.16	\$92.32	\$7.68
February	2/10	\$100.00		11	\$10.00	\$36.16	\$138.48	
			\$200.00	25	\$10.00	\$36.16	\$184.64	\$15.36
March	3/10	\$100.00		10	\$10.00	\$36.16	\$230.80	
			\$300.00	24	\$10.00	\$36.16	\$276.96	\$23.04
April	4/10	\$100.00		7	\$10.00	\$36.16	\$323.12	
			\$400.00	21	\$10.00	\$36.16	\$369.28	\$30.72 *
May	5/10	\$100.00		5	\$10.00	\$36.16	\$415.44	
			\$500.00	19	\$10.00	\$36.16	\$461.60	\$38.40
June	6/10	\$100.00		2	\$10.00	\$36.16	\$507.76	
				16	\$10.00	\$36.16	\$553.92	
			\$600.00	30	\$10.00	\$36.16	\$600.08	-\$0.08
July	7/10	\$100.00		14	\$10.00	\$36.16	\$646.24	
			\$700.00	28	\$10.00	\$36.16	\$692.40	\$7.60
August	8/10	\$100.00		11	\$10.00	\$36.16	\$738.56	
			\$800.00	25	\$10.00	\$36.16	\$784.72	\$15.28
September	9/10	\$100.00		8	\$10.00	\$36.16	\$830.88	
			\$900.00	22	\$10.00	\$36.16	\$877.04	\$22.96
October	10/10	\$100.00		6	\$10.00	\$36.16	\$923.20	
			\$1,000.00	20	\$10.00	\$36.16	\$969.36	\$30.64
November	11/10	\$100.00		3	\$10.00	\$36.16	\$1,015.52	
			\$1,100.00	17	\$10.00	\$36.16	\$1,061.68	\$38.32
December	12/10	\$100.00		1	\$10.00	\$36.16	\$1,107.84	
				15	\$10.00	\$36.16	\$1,154.00	
			\$1,200.00	29	\$10.00	\$36.16	\$1,200.16	-\$0.16
					\$260.00	\$940.16		

***Example of additional shortages that may be incurred:**

Employee terms April 15th - difference between Williamson County Payments and Employee Contributions & Employer Contributions = \$30.72. Who pays for this shortage if no money has been set aside into SWHP "DueTo" account?
Hense additional shortfalls in the SWHP DueTo account funds which are held within the Payroll Bank Account.

Time Line Illustration - Payroll Year 2000

****TSG**** ****TSG**** ****TSG**** ****TSG**** ****TSG****

<u>January</u>	<u>February</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>
14 28	11 25	10 24	7 21	5 19	2 16 30

Under TSG, SWHP "DueTo" Processing occurred in system

There were 3 pays in June which caught up SWHP so that when May Retirement check was processed there was already one payday processed and outstanding checks and June 2nd retirement contributions covered shortage.

****P2K**** ****P2K**** ****P2K**** ****P2K**** ****P2K****

<u>July</u>	<u>August</u>	<u>September</u>	<u>October</u>	<u>November</u>	<u>December</u>
14 28	11 25	8 22	6 20	3 17	1 15 29

Under P2K, SWHP "DueTo" Processing occurred outside of system based on set-up agreed to in Fall, 1998 and pending discussions with outside auditors.

This manual process was completed after month end to transfer SWHP deductions/contributions from Benefits Fund to DueTo accounts.

In December, under prior TSG processing, the 3 monthly deductions and contributions would have already been included in bank balance (due to in-system processing each payday) when retirement check request was presented for payment. Under P2K processing where manual transfer is still being made, pending discussions with outside auditors, the check request for retirement was presented prior to the transfer being requested and processed. Then, since the SWHP January payment also needed to be processed prior to deductions and contributions being collected, an additional "shortage" was incurred.

AGENDA ITEM 31

Consider declaring an emergency and acknowledging additional expenditure to Non Dept:

0100-0409-004999 Non Dept. Miscellaneous \$100,000.00

Moved: **Judge Doerfler**

Seconded: **Commissioner Hays**

Motion: To declare an emergency and acknowledging additional expenditure to Non Dept:

0100-0409-004999 Non Dept. Miscellaneous \$100,000.00

Vote: 4 - 0

AGENDA ITEM 32

Discuss and take appropriate action on parkland acquisition.

No action was taken on this agenda item.

AGENDA ITEM 33

Discuss and take any appropriate action on pending litigation: Julie Town vs. Williamson County.

Moved: **Commissioner Limmer**

Seconded: **Commissioner Hays**

Motion: Approve Judge Doerfler to mediate the pending litigation and to approve the mediation if it is resolved through mediation.

Vote: 4 - 0

AGENDA ITEM 34

Discuss and take any appropriate action on road bond projects.

No action was taken on this agenda item.

AGENDA ITEM 35

Discuss and take any appropriate action on jail/courthouse annex expansion.

No action was taken on this agenda item.

AGENDA ITEM 36

Comments from commissioners.

No comments from commissioners.

Greg Bergeron with URS stated that he has a survey crew that will begin work on the road system by February 5, 2001.

COMMISSIONERS' COURT ADJOURNED AT 12:44 P.M. ON TUESDAY, JANUARY 16, 2001.