

Minutes of the Finance Committee Meeting

The Finance Committee of the McLean County Board met on Tuesday, April 3, 2001 at 5:30 p.m. in Room 700 of the McLean County Law and Justice Center, 104 W. Front Street, Bloomington, Illinois.

Members Present: Chairman Sorensen, Members Renner, Berglund, Rodman, Arnold

Members Absent: Member Kinzinger

Staff Present: Mr. John Zeunik, County Administrator; Mr. Terry Lindberg, Assistant County Administrator; Ms. Lucretia Wood, Administrative Assistant, County Administrator's Office

Elected Officials/

Department Heads: Mr. James Boylan, Treasurer; Ms. Rebecca McNeil, Accounting Specialist II, Treasurer's Office; Ms. Cathy Dreyer, Accounting Specialist II, Treasurer's Office; Mr. Don Lee, Administrator, McLean County Nursing Home; Mr. Craig Nelson, Director, Information Services; Ms. Jennifer Ho, Risk Manager; Mr. Phil Dick, County Planner, Building and Zoning; Mr. Charles Reynard, State's Attorney; Ms. Connie Clifford, Administrative Support Supervisor, Supervisor of Assessments Office

Chairman Sorensen called the meeting to order at 5:36 p.m.

Chairman Sorensen stated that if there are no objections, the minutes of the March 6, 2001 meeting will be approved and placed on file as presented.

Ms. Connie Clifford, Administrative Support Supervisor, presented an Assessment Status Report. The Board of Review will be concluding by the end of the week of April 13, 2001. Fifteen Townships Assessments are completely finished. Mr. Kahman has begun preparing the abstracts for the State of Illinois. The assessment cycle is slightly ahead of where the assessment cycle was at this time last year. Assessed valuation has been reduced by less than 1/3 of 1% at the Board of Review hearings.

Mr. Arnold asked if the number of complaints filed is alarming. Ms. Clifford replied that 1999 was the quadrennial assessment year. The number of complaints filed is not alarming but expected.

Mr. Renner stated that he met with the Farm Bureau and the Old House Society. During the meeting, he learned that a recent law enacted in Iowa allows tax abatements on improvements to agricultural buildings built prior to 1937. He asked how hard it would be to implement if the McLean County Board passed an ordinance allowing the same tax abatements in McLean County. Ms. Clifford stated that the Supervisor of Assessments

Office could research the Iowa statute to see if it could be implemented in McLean County. Mr. Renner explained that the law passed in the Iowa State Senate and State House with only two negative votes. According to the Farm Bureau, if an ordinance were passed in McLean County, it would cover 12, 000 agriculture buildings.

Mr. Craig Nelson, Director, Information Services, presented a request to reclassify one Network Manager Position. The duties and responsibilities of Information Services are expanding rapidly due to increased intergovernmental agreements. Because of these intergovernmental agreements, Mr. Nelson stated that he is frequently out of the office. Many of his office supervision duties have been delegated.

Currently, there are two grade 12 Network Manager positions. One of these positions has been running the daily operations of the office during the absences of the Director. Mr. Nelson requested that the Committee reclassify one Network Manager position to an Assistant Director of Information Services.

Chairman Sorensen asked if Mr. Nelson worked with the Administrator's Office to prepare his request. Mr. Nelson indicated that he worked with the Administrator's Office while preparing his request.

Motion by Berglund/Renner to recommend approval of a request to reclassify one Network Manager position to an Assistant Director of Information Services.

Mr. Arnold asked if the position could be covered in the Approved Budget for 2001. Mr. Nelson replied that there had been a vacancy in the office. Funds from the vacancy will cover the increase in salary for the Assistant Director position.

Mr. Rodman asked how many employees are in the Information Services Department. Mr. Nelson replied that there are 16 employees plus 2 individuals in the Records Management division. Mr. Rodman asked for a history of the growth of the IS Department. Mr. Nelson replied that positions have been reorganized; however, no new positions have been added since he has been the Director of Information Services. Mr. Zeunik replied that the only position added in the last two years has been the additional Database Administrator position for the EJS project. Prior to that, in 1996, a Database Administrator was added at the beginning of the EJS project.

Mr. Rodman asked if this is a promotional increase. Mr. Nelson explained that the employee's salary would be at the base range plus five percent per County policy. Mr. Rodman asked if the employee is near the top of their current grade. Mr. Nelson replied that the employee is in the middle of the grade 12 pay range. The reclassification will move the employee into the bottom third of grade 13.

Mr. Zeunik stated that the reclassification will add a distinct number two position to the department regardless of the current incumbent. This is a needed position in the Office and will add value to the department's organization.

Motion carried.

Mr. James Boylan, County Treasurer, announced that Ms. Rebecca McNeil has been promoted to the Assistant County Treasurer's position. Mr. Boylan provided the Committee with copies of Ms. McNeil's resume. He added that the decision was a tough one to make. Ms. McNeil and Ms. Cathy Dreyer work hand in hand on the daily operations of the office. The Office will benefit from both of their input. Ms. McNeil stated that she is honored to be chosen for the position. The Treasurer's Office has progressed over the past few years. There are many challenges ahead for the Office, but she is certain that the Office will be successful. The first challenge for the Office will be the preparation, collection, and distribution of the first installment of the property taxes cycle.

Ms. McNeil and Ms. Dreyer presented the County Treasurer's report as of March 31, 2001, the Investment Report as of March 31, 2001 and the Employee Benefit Fund Report as of March 31, 2001.

The Committee reviewed the Statement of Revenue, Expenditures, and Fund Balance reports. Ms. McNeil noted that the County has begun receiving State Income Taxes from the State of Illinois. As of March 31, 2001, the County has received \$340, 787.95. This amount surpasses the amount received from the State at this time last year.

The Committee discussed having the reports generated earlier in the month so that the reports may be included in the Finance Committee packet. Mr. Zeunik explained that the reports could be generated earlier, however, the reports would not be complete. If the reporting period were changed, a consistent reporting period could be put in place and eventually, the Committee would have a good picture of a 30-day cycle.

Mr. Rodman asked if there are any other reports that would be effected by changing the reporting cycle. Mr. Zeunik stated that the report could be generated on the 15th of the month. This report would object activity from the 15th of the previous month to the 15th of the next month.

The Committee agreed that the reports should be generated as of the 15th of each month and included in the packet. Once the month is closed, a final report should be given to the Committee. Ms. McNeil stated that the Office will change the reporting period to the 15th of each month and give a final report to the Committee after the closing of each month.

Ms. McNeil asked the Committee to look at the expenditures. In 2001, the expenditures have increased from the same time period in 2000. Those expenditures are mainly due to the increases in salaries from the PAS study and the increase in insurance premiums. Mr. Zeunik stated that part of the increase is due to there being three pay periods this March.

The Committee reviewed the Employee Benefit Plan report. Ms. McNeil noted that a new line has been added to the report for the Lafayette Life Insurance Plan. This is the life insurance plan that is provided to the employees by McLean County at no cost to the employee. The County's previous life insurance policy was administered under Health Plans Administrator's (HPA). Lafayette Life Insurance is the new company providing that service. HPA claims are dwindling down. The expenses in March totaled \$15,000.00 for claims.

Mr. Arnold asked if the Employee Benefits Plan began in 1997. Mr. Zeunik replied that the Employee Benefits Plans began in the mid 1980's when the County became self-insured. Mr. Arnold suggested that the years 1997 and 1998 be dropped off the report.

Mr. Zeunik stated that the employer contributions for health insurance premiums are transferred to the Employee Benefit Fund quarterly. The fund balance decreased significantly in March. At the beginning of the second quarter, the Auditor Office will transfer funds from the departmental budget in the FY' 2001 Adopted Budget.

The Committee reviewed the County Treasurer's Investment report. Chairman Sorensen asked if interest rates are continuing to decline. Ms. McNeil replied that the rates have continued to drop in March.

Mr. Arnold noted that the Management Letter states that "During our review of investments, we noted instances whereby supporting documentation regarding the maturity of investments was not being maintained." He stated that the Investment report does not show very many maturity dates. He asked if this is a continuation of the same problem mentioned in the Management Letter. Ms. McNeil replied that maturity dates are not a problem. She explained that the first section of the report shows the certificate of deposits and the maturity dates. The other accounts listed are checking and money market accounts.

Motion by Renner/Arnold to accept and place on file the County Treasurer's report as of March 31, 2001, the Investment Report as of March 31, 2001 and the Employee Benefit Fund Report as of March 31, 2001. Motion carried.

Mr. Boylan presented a request to reclassify one Account Specialist II to a Staff Accountant. The request is based on the recommendations that were made last year by

Ms. Leslie Lundy, CPA. The upgrade is requested because of the increased duties assigned to the position to insure segregation of duties within the Office.

Mr. Zeunik replied that this reclassification is similar to reclassification requested in Information Services. There is an incumbent involved, but the position is needed to better the organization. In the past, there has been a Chief Deputy position, which is classified as a grade P-12. The next two professional positions are P-7's. Ms. McNeil has suggested that there is a need to have a higher level accountant in the Office who can assume more responsibility over the General Ledger transactions in the Office. This individual would have the experience, knowledge and ability and be able to supervise support staff in the Office. The request is to have one Account Specialist II position reclassified to a Staff Accountant, which is a Grade 10. The Administrator's Office reviewed the PAM scores for this position which show major increases in Knowledge and Ability, Supervisor Responsibilities, Scope and Decisions, and Problem Solving.

Mr. Lindberg stated that the major difference between an Account Specialist II and a Staff Accountant is that the Staff Accounting position is truly a professional accounting position. In the past, the Treasurer's Office has very centralized control in the Assistance Treasurer's position. The rest of the positions were all clerical with very little cross training.

After Ms. Leslie Lundy's report to the Committee, at the Treasurer's Office request, an Account Specialist II position was added to the Treasurer's Office, which requires a high school graduation and some experience or a two-year degree. The Administrator's Office feels that the Office deserves a professional position to allow for segregation of duties, delegation of responsibilities and better supervision. The requested position is at the same level as the Internal Auditor position approved at the March County Board meeting. Someone with these abilities will allow the Assistant County Treasurer's to have a back up during her absences.

Mr. Arnold asked if there is an incumbent in the position. Mr. Zeunik replied that there are currently two Account Specialist II positions in the Office. Ms. McNeil and Ms. Dreyer hold these positions. Ms. McNeil's promotion leaves one of these positions vacant. The proposal is to have a new position established that would be a Staff Accountant. The Office would then have an Assistant County Treasurer, a Staff Accountant, and the rest of the positions will remain as they are now.

Mr. Arnold stated that when he read the proposal, he felt that the request was justified based on the performance of the incumbent reconciling statements. However, the Management Letter condemns the Treasurer's Office for lack of performance in bank reconciliation's. He feels that change in reclassifications should be delayed until the

County receives the Management Letter for the year 2000. Mr. Zeunik noted that the FY' 2000 Audit will be done in June of this year.

Mr. Rodman asked if waiting to reclassify the position would make it more difficult for the Department to be able to raise its standards. Mr. Zeunik replied that waiting to reclassify the position would have a negative effect on the Office.

The Management Letter was for Fiscal Year 1999. One of the Account Specialist II positions was added late in 1999 as a result of Ms. Lundy's recommendations. The County was able to reconcile all of the 1999 bank records after this person was hired. For the Fiscal Years 2000 and 2001 all of the bank records have been reconciled on a timely basis at month's end. This is largely due to the fact that the individual that was recruited has the skills and experience necessary to carry out responsibilities at a Staff Accountant level.

Ms. Berglund asked how long Ms. McNeil and Ms. Dreyer have been employed in the Treasurer's Office. Mr. Zeunik replied that Ms. Dreyer has worked in the Treasurer's Office for 18 months and Ms. McNeil for two years. Ms. Berglund stated that the Office has improved quite a bit since their arrival. Mr. Zeunik stated that last year's tax cycle went very smoothly due to the professional capabilities of the staff in the Office.

Mr. Rodman asked if the four-year degree has to be in a specific discipline. Mr. Lindberg stated that the individual's degree would need to be in accounting. Mr. Rodman stated that he is very supportive of the Internal Auditor position because it brings a professional level with experience to the Auditor's Office. He is supportive of upgrading the quality of the key positions in the Treasurer's Office as well. These positions are necessary to avoid future problems, which have been caused in part because the County did not have qualified individuals who could establish better internal controls. People with accounting backgrounds are trained to follow internal control and keep a segregation of duties.

Motion by Rodman/Berglund to recommend approval of a request to reclassify one Account specialist II to a Staff Account in the Treasurer's Office.

Mr. Renner voted "yes"
Mr. Rodman voted "yes"
Ms. Berglund voted "yes"
Mr. Arnold voted "no"

Motion carried.

Ms. Dreyer reported back to the Committee regarding Mr. Arnold's request to have property tax payments made available though direct deposit. National City Bank is

developing a program, which would allow a direct link from our website to the National City program. The taxpayer would access their account by entering their tax ID number, the dollar amount they are paying, their bank account number and the routing number. The individual would be responsible for initiating the payment rather than the County.

The cost of the program is \$1,000.00. National City will do all the web design and setup. The fee for every transaction would cost anywhere from \$.25 to \$.30, which the County would be responsible for paying. The company handling the program for National City requires \$1,000.00 of activity every month. With taxes being seasonal, the County would not be able to meet that criteria.

Using the program could cause additional problems for the County. Property owners may not pay the correct amount, add the interest correctly or enter in the wrong property ID number. If the wrong property ID number is entered, the Treasurer's Office could post the payment to the wrong account.

Mr. Arnold asked how money is drawn from escrow accounts. Ms. Dreyer replied that the bank writes a check payable to the Treasurer's Office twice a year. The checks are received with a tape or a listing of all the parcels that they are making payments for. Ms. McNeil explained that if the bank sends a tape, the system is automatically updated. However, with the property tax payments, the Treasurer's Office would have to update each parcel manually. Direct payment would be a benefit to the property tax owner, but in the long run, it would cause the Treasurer's Office to fall behind.

Mr. Arnold stated that Bloomington and Normal water and sewer departments have direct withdrawal. He asked why the process would be so much harder for the County. Ms. McNeil replied that information gathered so far has not been positive. The Office will continue to research the issue. Mr. Arnold suggested that the office contact other Counties to see how they handle the property tax payments. Mr. Renner suggested that the Office also contact Bloomington/Normal. Chairman Sorensen requested that Information Services also work along side the Treasurer's Office.

Mr. Arnold stated that he thought the transaction fee would not be a problem. It would save the Treasurer time in the long run because the Office would not handle as many checks. Ms. McNeil explained that the accounts would still have to be reconciled and each parcel number would have to be handled manually. In October through April, there would not be any activity on these accounts and the County would have to pay \$1,000.00 each month to continue the program. Mr. Arnold stated that with the revenue brought in during the tax cycle, the few thousand dollars in transactions is not excessive.

Chairman Sorensen congratulated Mr. Boylan for receiving a Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association

of the United States and Canada. Mr. Boylan replied that the Office staff deserved all the credit for the Certificate.

Mr. Charles Reynard, State's Attorney, presented a request for Approval of a County-Wide Workplace Violence Prevention policy. County employees have developed the policy. If the County Board approves the policy, there would be implementation guides for employees on how to handle violent situations at home and in the workplace.

Mr. Rodman stated that he thought there was already a policy in place regarding workplace violence. Mr. Reynard explained that there are policies in place that are tangential to the proposed workplace violence policy.

Mr. Reynard credited Ms. Jennifer Ho, Risk Manager, for her part in the development of the policy. She is responsible for moving the project along.

Motion by Berglund/Rodman to recommend approval of a County-Wide Workplace Violence Prevention policy.

Mr. Rodman stated that he remembers a couple years ago, there was a lot of discussion about workplace violence and training. Mr. Reynard explained that a year ago, the County became the first governmental entity to join the Corporate Alliance to End Partner Violence. This is a movement to recognize that not only do we provide services to the public, but also the County has an internal work force that may face the same issues. Information on the Corporate Alliance will be distributed during the County's Health Fair next month. Mr. Rodman stated that he thought the policy was discussed at that time. Mr. Reynard explained that the policy was discussed at that time, however, it has taken some time to develop the policy.

Motion carried.

Mr. Don Lee, Administrator, Nursing Home presented the General Reports for the Nursing Home. In the month of February, the statement of Revenues and Expenses shows an operating loss. There are big expenses due in February, which were paid. The census has remained low through March. There are currently 129 residents. The Nursing Home is expecting four more admissions before the end of the week. The numbers are increasing gradually.

Mr. Renner asked if the census is usually around 140 patients. Mr. Lee replied that the census last year averaged around 140 residents. Mr. Arnold asked if the Nursing Home used local advertisements to increase the census. Mr. Lee stated that in the past, the County Board has been opposed to advertising. Many nursing homes do use local advertising, however it is very expensive.

Mr. Arnold asked if the Nursing Home would have to cut staff if the census remains low. Mr. Lee replied that staff has not been cut, but positions have been left vacant. The Nursing Home has also reduced the use of registry positions. There are fixed cost that can not be adjusted. However, in areas that can be adjusted, expenditures are monitored closely.

Ms. Berglund asked if the new assisted living programs are hurting the census at the Nursing Home. Mr. Lee replied that the assisted living is not as much a problem as the home health care services offered by the hospitals. Individuals are discharged from hospitals and are then sent home with home health service.

Chairman Sorensen stated that if the census remains low, the Committee might need to review the options available in advertising.

Mr. John Zeunik, County Administrator, presented a request for approval of a capital assistance application for SHOWBUS Public Transportation for Meadows Mennonite Retirement Community. Mr. Phil Dick, County Planner, is available for questions because Ms. Mary Davis, Director of SHOWBUS, is not available due to an out of town meeting.

Mr. Dick stated that McLean County is a coordinating County for providing rural transportation for Iroquois, Livingston and McLean Counties. SHOWBUS is the contractor providing the transportation. This year all the applications were received at the same time including the application for operating assistance. The application for three vehicles, including two 10 passenger vans and one 14 passenger vehicle, all of which are handicap accessible. One application is for small capital equipment including eight bus radios and two computers. The applications are submitted to the State with the purchase agreement between the County and SHOWBUS.

Mr. Dick stated that he has not included all the information that is in the applications because it a very large packet. If the Committee would like to see the entire application, he can make it available.

As part of the capital application, the Federal Government requires that notice be published for a public hearing. The notice was published in The Pantagraph and the public hearing will take place prior to the County Board meeting.

Motion by Arnold/Berglund to recommend approval of the capital assistance application for SHOWBUS Public Transportation for Meadows Mennonite Retirement Community. Motion carried.

Mr. Lindberg presented a request for approval of an Illinois Municipal Retirement Fund (IMRF) Resolution clarifying that the full-time elected positions are eligible for IMRF participation as of January 1, 1951. The County joined IMRF in 1951. At that time, elected officials participated without specific documentation being required by IMRF. In 1980, IMRF required that municipalities pass a formal resolution delegating each elected official position as an IMRF qualifying position. The County took no action at that time.

In 1992, two new people were elected to the positions of Coroner and Recorder. These individuals specifically came to the Board and requested that a Resolution be passed for their positions. A Resolution was passed for the positions of Coroner and Recorder. This didn't affect officials that were here prior to 1980. However, it did affect those that came into office after 1980, but prior to 1997. In 1997, a number of Resolutions were passed regarding buying back time. All elected officials have been eligible for IMRF participation since 1997.

There are a couple of cases between 1980 and 1997 where individuals held elected office but are not considered eligible to buy back prior service time. IMRF recommends that the County Board pass a resolution making it possible for all elected officials who are eligible to buy back prior service time. The costs to the County are minimal and will most likely affect only one elected official.

Mr. Arnold asked if it compulsory that the elected officials join IMRF. Mr. Lindberg replied IMRF participation is mandatory for regular employees. Elected Officials are allowed to opt into IMRF at the time of election or appointment. They are allowed to decide to opt in if reelected if they were not previously participating.

Mr. Arnold asked if the County would be liable for the employer's entire share. Mr. Lindberg replied that there is a limit on the buy back, which is 48 months. Mr. Zeunik replied that there is one elected official that would benefit from the resolution, who would buy time back as soon as it is available. This would cause an adjustment to the County's overall rate. Mr. Renner asked who the elected official is. Mr. Zeunik replied that it is the State's Attorney.

Mr. Rodman asked what the cost would be to the County. Mr. Lindberg stated that it would be hard to figure the amount. The County rate is offset by the employee rate plus our current balance earned. Our rate has declined in recent years because of the significant investment earnings and the fact that the County's retirement liability is fully funded.

Mr. Rodman asked if the individual bought back 48 months, would the County have to pay back 48 months of contributions. Mr. Lindberg replied that the individual would be responsible for all back payments. The buy back would effect the County in that the

employee would be entitled to more time at retirement which would be factored into the County's actuary responsibilities to all employees. Mr. Zeunik stated that the County's IMRF rate is approximately 5% for Fiscal Year 2001. The buy back would be factored in and the County's future rate would be adjusted. Mr. Lindberg stated that if the employee bought the time back and then retired, the pension payment could increase as much as 8%.

Mr. Zeunik stated that the employee rate is 4.5%. If an employee buys back 48 months, the employee pays 4.5% of their past four years of employment plus interest.

Mr. Rodman stated that this is a reasonable request.

Motion by Rodman/Berglund to recommend approval of an Illinois Municipal Retirement Fund (IMRF) Resolution clarifying that the full-time elected positions are eligible for IMRF participation as of January 1, 1951. Motion carried.

Mr. Zeunik presented the proposed purchase of the 115 East Washington Street Building. The Committee reviewed the information provided in the packet. Mr. Zeunik stated that LZT has projected the need for 55,000-57,000 square feet of office space through 2010. These numbers do not include the space needs of the jail and the Sheriff's Department.

To accommodate the space needs, one suggestion is to relocate all non-Justice offices, which currently occupy 25,000 square feet in the Law and Justice Center, to the 115 East Washington Street building. There would be more than adequate space to meet the needs of the non-justice offices through 2010.

The vacant space freed up in the Law and Justice Center would meet the needs of the Justice offices over the next ten years. LZT will recommend that two new courtrooms be considered in the next ten years, which can be addressed in the Law and Justice Center by the purchase of the 115 E. Washington building and the relocation of the non Justice offices.

Mr. Zeunik stated that one issue involved in the purchase is the cost of purchasing the 115 E. Washington Street building versus the cost of adding on to the Law and Justice Center. The Law and Justice Center is designed to expand to the north. The building can not go higher than the present seven stories. The advantage to the purchase is that we accommodate the space that will be needed and allow the Justice offices to expand in the Law and Justice Center, postponing costly expansion in to the north courtyard.

The focus of attention can then be on jail space needs. LZT's initial indications are that the County will need 250 additional beds in the jail. Illinois law provides for a Public Safety Sales Tax, which can be enacted by voter referendum in quarter percent

increments. Several counties have taken the issue to referendum and have adopted it. The Public Safety Sales Referendum permits public safety improvements to be financed using sales tax revenue.

Based on the Department of Revenue projections for qualifying sales tax revenue under the Public Safety Sales Tax Law, the PBC could issue \$29 million in bonds for the jail and other public safety purposes. In 1988 and 1989, the PBC sold \$20 million of debt for expansion of this building and the jail. The final construction cost totaled approximately \$18 million of which \$12 million was related to the jail. In future expansions, the jail would continue to be the most expensive component.

Mr. Zeunik stated that he has provided the Committee with copies of a proposal that has been reviewed with Tom Hamilton, City Manager, City of Bloomington. The purchase price would be equally split between the County and the City. The costs of remodeling would be specific to each entity. The estimated cost is \$2.625 million with a term of 10 years at an estimated tax exempt rate of 4.5% for a "AA" rated bond issue.

The Committee will need to decide if the County should move forward with the purchase of the 115 E. Washington Street Building and recommend how the purchase should be financed. Lastly, the County is not sitting on a huge cash fund balance. The County's liquid assets as of March 31, 2001 are just over \$1.7 million dollars.

Mr. Arnold asked if the Public Safety Sales Tax referendum would be left for the jail expansion. Mr. Zeunik replied that the advantage of this option is that the sales tax is spread over a larger population. At $\frac{1}{4}$ of one percent, the County can meet the rating agency requirements of 1.25 coverage of the debt service.

Mr. Arnold stated that this addresses the County's space needs. He asked if there has been a coordinated effort to look at an alternative campus where everything could be consolidated. Mr. Zeunik replied that the jail could be located out in the County, which LZT is considering. The difficulty is that any county site would need to be a site that could be serviced by sewer and water. The other issue is that Bloomington is the County Seat. County Offices have to be within the corporate limits of Bloomington.

Mr. Renner stated that he supports the purchase of the building. The proximity of this particular building is valuable. He hopes that the County never extends the Law and Justice Center over the north courtyard. Mr. Renner asked if the building is purchased, will LZT adjust their final report to the County. Mr. Zeunik replied that LZT is interested in the County's decision on the purchase of the building. Initially indications from LZT are that this option would meet the County's needs. LZT would adjust their final report to show that non-justice space needs have been addressed.

The report is late for the jail because the 2000 census data for McLean County was higher than anticipated. The consultant used the Regional Planning Commission's population projections. LZT will review the numbers and adjust the final report based on the new census data. The report is also late because of the interest in alternatives to jail time.

Mr. Rodman asked if cash flow is historically low now through June when the County receives the first installment for property taxes. Mr. Zeunik replied that in April the accrued fund balance was \$2.5 million. Based on last year, \$2.5 is about the lowest point and increase between June and September.

Mr. Rodman asked Mr. Zeunik to explain the County's liquid assets. Mr. Zeunik explained that receivables are not included in liquid assets.

Motion by Berglund/Renner recommended approval of the purchase of the 115 East Washington Street Building using financing available from the Public Building Commission.

Mr. Arnold asked if the building is handicap accessible. Mr. Zeunik replied that the building is accessible, but not at all entrances. These upgrades would need to be made.

Mr. Rodman asked how the building would be split. Mr. Zeunik replied that allocation of space in the building would have to be approved by the Board. Complementary City/County offices could be placed adjacent to one another. The Regional Planning Commission may move to the 115 E. Washington Street building as well. The City Election Committee could move into the building near the County Clerk's Office. This would allow for Court Services to have all of their divisions in one building. Currently, they are split between two buildings.

Mr. Zeunik stated that two issues for remodeling are maximizing space and utilizing it efficiently and addressing ADA issues.

Mr. Rodman asked how old and in what condition the building is in. Mr. Zeunik replied that the building is in excellent condition. The structural integrity is good. Mr. Tom Hawk, the County's Maintenance Forman, will be going through the building. The City of Bloomington's Building Code Enforcement Department has already inspected the building and did not find any significant violations or problems.

Mr. Rodman asked what fund the projected tax increase would come from. Mr. Zeunik replied that the increase would come from Fund 161, which is currently named the Law and Justice Center Debt Service. It would become the Public Building Commission Debt Service Fund with two components, one for the Law and Justice Center and one for the 115 E. Washington Street building, each with a fixed payment.

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The chair announced that he plans to vote.

Motion carried.

Mr. Zeunik noted that the Management Letter from 1999 was included in the packet. Chairman Sorensen presented the bills, which have been reviewed and recommended for transmittal to the Finance Committee by the County Auditor.

Motion by Renner/Rodman to recommend payment of the bills as presented by the County Auditor. Motion carried.

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Motion by Arnold/Rodman to go into Executive Session to discuss pending litigation and Collective Bargaining issues. The following individuals are asked to remain in the Executive Session: Ms. Jennifer Ho, Mr. Jack Morel, attorney-at-law, Mr. John Zeunik, Mr. Terry Lindberg, and Ms. Lucretia Wood. Motion carried.

The Committee went into Executive Session at 7:20 p.m.

The Committee returned to Open Session at 7:55 p.m.

Motion by Berglund/Rodman to recommend approval of the continuation of litigation for Mr. Morel to file for a rehearing with the Supreme Court.

The Chairman announced that he will vote.

Chairman Sorensen voted "yes"
Mr. Renner voted "yes"
Mr. Rodman voted "yes"
Ms. Berglund voted "yes"
Mr. Arnold voted "no"

Motion carried.

There being nothing further to come before the Committee at this time, Chairman Sorensen adjourned the meeting at 7:56 p.m.

Respectfully submitted,

Lucretia A. Wood
Recording Secretary