

Minutes of the Finance Committee

The Finance Committee of the McLean County Board met on Tuesday, December 5, 2006 at 4:00 p.m. in Room 400 of the Government Center, 115 East Washington Street, Bloomington, IL.

Members Present: Chairman Sorensen; Members Nuckolls, Owens, Selzer and Butler

Members Absent: Member Moss

Other Members Present: None

Staff Present: Mr. John Zeunik, County Administrator; Mr. Terry Lindberg, Assistant County Administrator; Ms. Lucretia Wherry, Recording Secretary, County Administrator's Office

Department Heads/
Elected Officials
Present:

Mr. Don Lee, Director, Nursing Home; Mr. Lee Newcom, County Recorder; Ms. Becky McNeil, County Treasurer; Ms. Jackie Dozier, County Auditor; Ms. Jennifer Ho, Risk Manager; Mr. Bob Keller, Director, Health Department; Sheriff Mike Emery; Mr. Bob Kahman, Supervisor of Assessments

Others Present: Ms. Chris Colaw, Accounting Specialist II, County Auditor's Office; Ms. Connie Clifford, Assistant Chief Assessment Officer, Supervisor of Assessments Office.

Chairman Sorensen called the meeting to order at 4:00 p.m.

Chairman Sorensen presented the minutes from the October 17, 2006 and the November 7, 2006 Finance Committee Meetings for approval. Hearing no corrections to those minutes, Chairman Sorensen advised that the minutes would stand approved as presented.

Ms. McNeil presented the County Treasurer's Monthly Financial Reports for the period ending November 30, 2006. She distributed a summary sheet that shows the year-to-date revenue for Retailers Occupation Tax, State Income Tax and Personal Property Replacement Tax.

Ms. McNeil reviewed the Summary of Retailers Occupation Tax, State Income Tax and Personal Property Replacement Tax Report for the month ending November 30, 2006. She noted that the County will exceed the budgeted amount for 2006 in the State Income Tax Revenue and Personal Property Replacement Tax. Ms. McNeil pointed out the following statistics:

- Retailers Occupation Tax Revenue Year to Date is \$5,389,557.43, which is 5.59% over last year and 100.17% of budget.
- State Income Tax Revenue is \$1,556,142.73, which is 9.23% over last year and 117.37% of budget.
- Personal Property Replacement Tax Revenue is \$1,414,736.24, which is 7.75% over last year and 115.09% of budget.

Ms. McNeil stated that the Property Tax Revenue, year-to-date, is at \$6,906,828.86, which is 95.67% of budget. She noted that the office has not made final distributions from the revenue realized at the Tax Sale.

Ms. McNeil presented the Treasurer's General Pooled Investment Account. Several CD's matured in November. Ms. McNeil informed the Committee that currently the interest rates are all at 4% to 5%. However, in researching renewal rates, the rate trend is dropping to 3% for 12 month CD's, but holding for 3, 6 and 9 month CDs'. Ms. McNeil reviewed the Money Market rates. She explained that this report is a summary of all investments held by the County Treasurer's Office. Ms. McNeil stated that there is a list of Total Pooled Funds and a list of funds that are tracked separately. She indicated that the total amount invested for of all funds is \$32,964,674.42.

Two CD's were renewed for the County Nursing Home Fund 0401 at 5.15% and 5.3%. The Motor Fuel Tax fund had one CD renewal at 5.18% and the Township Motor Fuel Tax Fund had 3 CD's renewed at rates of 5.3%-5.5%.

Mr. Selzer asked what is meant by repo in the amount category. Ms. McNeil explained that those CD's have a repurchase agreement. Most banks will offer repurchase agreements if asked.

Mr. Selzer asked if the revolving loan payments are current. Ms. McNeil replied that the revolving loan payments are current.

Mr. Owens asked why Credit Unions are not used for County investments. Ms. McNeil replied that the Public Funds Investment Act does not allow for Credit Unions to be used when investing County Funds. Ms. McNeil indicated that she would bring a copy of the State's Attorney's Opinion letter regarding this issue to the next Committee meeting.

Ms. McNeil reviewed the Statement of Revenues, Expenditures and Fund Balance for the General Fund as of November 30, 2006. Ms. McNeil reported that the total Revenue as of November 30, 2006 is \$27,151,576.54, which is 95.13% of budget total. Expenditures are \$26,374,409.34, which is 92.41% of budget; and the Fund Balance as of November 30, 2006 is \$9,482,472.44. Ms. McNeil noted that there are 3 payrolls in December so the fund balance is going to decrease.

Chairman Sorensen called for a motion to accept and place on file the County Treasurer's Month-end Financial Reports.

Motion by Owens/Nuckolls to accept and place on file the month-end financial reports from the County Treasurer's Office for the month ending November 30, 2006, as submitted.
Motion carried.

Ms. Jackie Dozier, County Auditor, presented the County Audits completed to date. Ms. Carol Ash, who is the new Internal Auditor in the County Auditor's Office, audited the General Ledger Petty Cash accounts and checking accounts in individual departments, 4 of the 5 mandated funds; Court Document Storage, Court Automation, Children's Waiting Room, and Tax Sale Automation. Ms. Ash has begun working on the grants.

Chairman Sorensen asked if any problems were found. Ms. Dozier replied that no major problems were found. However, she noted that petty cash should be double counted.

Chairman Sorensen asked if there were any questions. Hearing none, he thanked Ms. Dozier.

Mr. Bob Keller, Director, Health Department presented a request for approval of an Emergency Appropriation Ordinance of the McLean County Board Amending the 2007 Combined Appropriation and Budget Ordinance for the Health Department Fund 0112.

Mr. Keller explained that Health Department is working in conjunction with the Courts to fund the Drug Court treatment program through the Health Department's Mental Health Services line-item appropriation. For fiscal year 2007, no additional tax funds would be levied. Instead, a portion of the Health Department's unencumbered fund balance would be appropriated to cover the expense incurred next year. For calendar year 2008, the Health Department fund levy will need to be increased to cover the cost of treatment. Mr. Keller stated that the Board of Health has already approved this request.

Motion by Selzer/Nuckolls to Recommend Approval of an Emergency Appropriation Ordinance of the McLean County Board Amending the 2007 Combined Appropriation and Budget Ordinance for the Health Department Fund 0112.

Chairman Sorenson asked if the County is going to receive grant funding for drug treatment. Mr. Zeunik, County Administrator, replied that the U.S. House of Representatives has approved the grant, but the U.S. Senate did not act prior to adjourning. Grant funding would not be received until March at the earliest.

Motion carried.

Mr. Selzer asked Mr. Keller to bring the language for the Smoking Ban signs to the January Committee meeting.

Chairman Sorensen asked if there were any questions. Hearing none, he thanked Mr. Keller.

Ms. Jennifer Ho, Risk Management, presented a request for approval of a Service Agreement between Cannon Cochran Management Services, Inc. ("CCMSI") and McLean County. She explained that this Agreement will be for a period of three years with first year costs of \$19,750.00 in FY 2007, with provisions to revise flat-rate charges if there are significant changes in the County's claims experience. Ms. Ho advised the Committee that she and other department heads have been satisfied with the quality of performance from CCMSI staff.

Mr. Selzer asked how long CCMSI has been the County's provider. Ms. Ho responded that CCMSI has been the provider since 1996.

Motion by Nuckolls/Owens to Recommend Approval
of a Service Agreement between Cannon Cochran
Management Services, Inc. and McLean County.
Motion carried.

Mr. Lee Newcom, County Recorder presented his Monthly Financial Reports for October, 2006. Mr. Selzer commented that the report is easy to read.

Chairman Sorensen asked if there were any questions or comments. There were none.

Mr. Robert Kahman, Supervisor of Assessments presented his Assessment Status Report. Mr. Kahman indicated that the GIS tool has been a very valuable tool. He stated that the County is going in the right direction and noted that it is important to move forward.

Mr. Kahman expressed his regret that the County will be losing Mr. Juan Garcia, the County' GIS Specialist, who has accepted a position at State Farm.

Mr. Don Lee, Director, Nursing Home, presented a request for approval to apply for a grant from the Long Term Care Division of the Illinois Department of Public Health. Mr. Lee explained that he was approached to participate in a grant to help promote culture change in long-term care. He stated that this is a three-year grant, with the first year devoted to promoting culture change internally. Mr. Lee indicated that this would be an approach of rethinking how long-term care is delivered today, moving from the medical model to a resident centered care model where the individual desires and needs of residents guide the care we provide. Mr. Lee stated that the County Nursing Home would be a pilot program within our facility and will then spread out to other County nursing homes and then to other nursing homes. This grant money will be used to hire an individual to work with the County and the other nursing homes over the three year period.

Chairman Sorensen asked if the grant includes one full-time staff member. Mr. Lee replied that it would include hiring one staff member, with the County providing the fringe benefits for that individual as the County's match. This individual is one of 65 people in the United States who has the certification to teach the Person Centered Care model.

Mr. Nuckolls asked if the County would be responsible for paying the salary of this individual when the grant runs out. Mr. Lee replied that the individual would only be hired for the three years of the grant.

Mr. Selzer stated that the grant was well-written and, if approved, can only enhance the reputation and the care given at the McLean County Nursing Home.

Motion by Selzer/Nuckolls to Recommend Approval to
Apply for a grant from the Long Term Care Division of
the Illinois Department of Public Aid.
Motion carried.

Mr. Lee presented a request for approval of the proposed 2007 Private Pay Rate. He noted that this is the time of year to set the new rates for the upcoming year based on the approved budget. He stated that this figure is reached by a mathematical computation where the total budget figure is divided by the projected resident days. The current rate is \$123.00 per day and the new rate is \$131.00 per day. Mr. Lee stated that the \$123.00 private pay rate set last year was lower than the Nursing Home's costs, therefore, it was necessary to raise the rate this year.

Motion by Nuckolls/Owens to Recommend Approval
of the Proposed 2007 Private Pay Rate for the
Nursing Home.
Motion carried.

Mr. Lee presented his monthly report, noting that the October Report is a bit unusual in that October is the month when the new Intergovernmental Transfer Agreement was initiated. He noted that the State will make some adjustments to bring the figures more in line.

Chairman Sorensen asked if there were any questions. Hearing none, he thanked Mr. Lee.

Sheriff Mike Emery presented a request for approval of a Resolution amending the Fiscal Year 2007 Full-Time Equivalent Positions Resolution for the Sheriff's Department. He noted that there is currently, on staff, a Jail Superintendent and two Operation Officers. Sheriff Emery stated that he would like to separate the two Operation Officers and reclassify one as an Assistant Jail Superintendent, which would allow the Sheriff the opportunity to assign definitive duties to each function in the administration of the jail. He noted that this will also help establish the chain of command in the jail.

Motion by Owens/Selzer to Recommend Approval of a Resolution Amending the Fiscal Year 2007 Full-Time Equivalent Positions Resolution for the Sheriff's Department.
Motion carried.

Sheriff Emery presented a request for approval of a Resolution of the McLean County Board authorizing the Sheriff to offer a salary above the starting maximum salary. He indicated that he has been working with the County Administration to restructure the Jail. Sheriff Emery stated that the proposed position reclassifications will be budget neutral.

Mr. Selzer asked if the four positions are current incumbents or people coming in from outside. Sheriff Emery replied that they are a mixture of both new and current employees.

Sheriff Emery indicated that he plans to return to the Finance Committee in January to make adjustments on the Law Enforcement division.

Motion by Owens/Nuckolls to Recommend Approval of a Resolution of the McLean County Board Authorizing the Sheriff to Offer a Salary Above the Starting Maximum Salary for the Sheriff's Department.
Motion carried.

Chairman Sorensen asked if there were any questions. Hearing none, he thanked Sheriff Emery for letting the Committee know that he will be making further requests of the Committee.

Mr. John Zeunik, County Administrator, presented a request for approval of an Ordinance Amending the McLean County Personnel Policies and Procedures Ordinance. He advised that, with the Board's adoption of the Smoking Ordinance, it is necessary to incorporate that into the County's Personnel Policies. Mr. Zeunik advised that Civil Assistant State's Attorney, Eric Ruud, prepared an Ordinance Amending the McLean County Personnel Policies and Procedures. The Ordinance now prohibits smoking in all County facilities and vehicles owned, leased or operated by the County.

Motion by Selzer/Nuckolls to Recommend Approval of an Ordinance Amending the McLean County Personnel Policies and Procedures Ordinance.
Motion carried.

Mr. Owens asked Sheriff Emery if there are any deputies smoking in squad cars. Sheriff Emery replied that Sheriff Owens had designated half the fleet as smoking and half as non-smoking. Sheriff Emery stated that, with the new Ordinance, all squad cars will be non-smoking.

Mr. Zeunik presented a request for approval of a Resolution approving the General Compensation Plan for Non-Union Employees and Position Classifications and Pay Ranges for Fiscal Year 2007. He noted that this is a routine item, with no changes other than the recommended across the board increase as well as the changes which the Board approved relating to reclassifications in Fiscal Year 2007.

Motion by Selzer/Nuckolls to Recommend Approval of a Resolution approving the General Compensation Plan for Non-Union Employees and Position Classifications and Pay Ranges for Fiscal Year 2007.
Motion carried.

Chairman Sorensen called for a motion to go into Executive Session to discuss Collective Bargaining.

Motion by Owens/Butler to Recommend the Finance Committee go into Executive Session at 5:08 p.m. to discuss Collective Bargaining with the Committee Members, the Administrator's Office Staff and Sheriff Emery.
Motion carried.

Motion by Selzer/Butler to recommend the Finance Committee return to Open Session at 5:43 p.m.
Motion carried.

Chairman Sorensen presented the November 30, 2006 Finance Committee bills for review and approval as transmitted by the County Auditor. The Finance Committee bills include a Fund Total of \$788,913.76 with a Prepaid Total the same and the Nursing Home Fund Total is \$484,696.96 with a Prepaid Total the same.

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Motion by Selzer/Nuckolls to recommend approval of the Finance Committee bills as of November 30, 2006.
Motion carried.

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There being nothing further to come before the Committee at this time,
Chairman Sorensen adjourned the meeting at 5:44 p.m.

Respectfully Submitted,

Judith A. LaCasse
Recording Secretary

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