

## **Minutes of the Finance Committee**

The Finance Committee of the McLean County Board met on Tuesday, July 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 Berglund, Nuckolls, Moss, Selzer and Owens

Members Absent: None

Staff Present: Mr. John Zeunik, County Administrator; Mr. Terry Lindberg, Assistant County Administrator; Ms. Jude LaCasse, Assistant to the County Administrator; Ms. Lucretia Wherry, Human Resources Assistant

Department Heads/  
Elected Officials  
Present:

Ms. Becky McNeil, County Treasurer; Mr. Robert Keller, Health Department Administrator; Mr. Don Lee, Director, Nursing Home; Mr. Don Everhart, Chief Deputy Recorder, Recorder's Office; Ms. Maria Pascua, Chief Deputy Clerk, County Clerk's Office

Others Present: Ms. Helen Barrick, Managing Partner, Clifton Gunderson LLP; Ms. Carla Pascal, Clifton Gunderson LLP; Mr. Tom Anderson, Director of Environmental Health, Health Department; Ms. Jan Morris, Health Promotion Program Manager, Health Department; Mr. Marty Vanags, EDC, Mr. Rob Fazzini, President, Busey Bank; Mr. Douglas Roesch, Busey Bank, Ms. April Fritzen and Mr. Steve Fritzen, Proprietors, Coffee Hound; Mr. Juan Garcia, County GIS Coordinator; Mr. Kedric Meredith, Intern; Ms. Allison McKey, Intern

Chairman Sorensen called the meeting to order at 4:04 p.m.

Chairman Sorensen presented the minutes from the June 6, 2006 Finance Committee Meeting and the May 16, 2006 Stand-up Committee Meeting for approval. Hearing no corrections to those minutes, Chairman Sorensen advised that the minutes would stand approved as presented.

Ms. Maria Pascua, Chief Deputy Clerk, County Clerk's Office, presented a request for approval of the list of Judges of Election. She noted that every two years a new certified list of election judges must be approved by the County Board. The list first goes to the Democratic and Republican Party Chairmen for approval. Once the County Board approves the list, it goes to the Circuit Court and a notice will be published that they are on file for review. Ms. Pascua stated that when the Circuit Court approves the list, the Judges of Election are then in place for the next two years.

Motion by Owens/Berglund to recommend Approval  
of the List of Judges of Election.  
Motion carried.

Ms. Berglund asked if the County Board approves the list of election judges for the City of Bloomington. Mr. Zeunik replied that McLean County has no jurisdiction over the City of Bloomington.

Chairman Sorensen asked if there were any further questions or comments. Hearing none, he thanked Ms. Pascua.

Ms. Becky McNeil, County Treasurer, presented the County Treasurer's Monthly Financial Reports for the period ending June 30, 2006.

Ms. McNeil reviewed the Summary of Retailers Occupation Tax, State Income Tax and Personal Property Replacement Tax Revenue Report for the month ending June 30, 2006. She pointed out the following statistics:

- Retailers Occupation Tax Revenue Year to Date is \$2,893,332.93, which is 8.68% over last year and 53.78% of budget,
- State Income Tax Revenue is \$934,029.77, which is 10.24% over last year and 70.45% of budget.
- Personal Property Replacement Tax Revenue is \$795,065.75, which is at 12.68% and 64.68% of budget.

Ms. McNeil reported that the first installment Property Tax bills were due June 5, 2006. All property tax dollars collected are fully distributed for the first installment. When the final distribution was made, it included 95% of collections from first installment and 6% of collections from second installment. Ms. McNeil indicated that the General Fund is at \$3.5 million, which is 49.12% of budget.

Ms. McNeil presented the Treasurer's General Pooled Investment Account. She indicated that CD rates and Money Market rates were very close together in the month of June. Ms. McNeil stated that the short-term CD rates were much better than long-term rates. The CD total is \$5.6 million and the total balance of all funds is \$31,317,749.63.

Ms. McNeil reviewed the Statement of Revenues, Expenditures and Fund Balance for June 30, 2006. Ms. McNeil reported that the total Revenue as of June 30th (at 50% into the year) is at \$13,483,568.94, which is 47.24% of budget; Expenditures are \$14,479,858.34, which is 50.73% of budget; and the Fund Balance as of June 30, 2006 is \$7,713,859.94.

Mr. Selzer asked what is the status of the Probation Officer salary reimbursement. Ms. McNeil replied that an allocation was exhausted in January-February. She noted that there will be a new allocation in July, the beginning of the new State fiscal year. Ms. McNeil advised that the allocation for 2006-2007 will very likely be exhausted in December.

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

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

Ms. McNeil presented the Employee Benefit Fund Quarterly Report. This report has a fund balance of \$438,561.23. She noted that this figure does not account for the third quarter coming in and the reserve has been dipped into. Ms. McNeil stated that the Administrator's Office will probably review this very carefully as they determine the budget for next year.

Ms. McNeil reviewed the CDAP Revolving Loan Fund Quarterly Report. She stated that there are currently two active loans, Victory Enterprises and the Debbie Thomas Learning Center. Ms. McNeil indicated that Victory Enterprises remains in default and they have not sent a payment in two months. They are currently past due from March. Ms. McNeil stated that Victory Enterprises has not responded to repeated efforts to remind them to make their payments. She indicated that she will continue her efforts to collect payment from Victory Enterprises and may ask for assistance from the State's Attorneys Office.

Ms. McNeil advised that if she does not receive payment from Victory Enterprises, she will report to the Committee next month.

Ms. McNeil reported that the Learning Center is current in their payment. She noted that the two new loans have not yet been disbursed. Ms. McNeil stated that the total amount in the Revolving Loan Fund is \$864,857.59, which does not include the disbursements that are pending.

Mr. Selzer asked what are the two pending commitments. Mr. Zeunik responded that the two new loans are the Micro-brewery at \$225,000.00 and the Grocery Store on West Market Street at \$115,000.00.

Chairman Sorensen asked if there were any questions or comments. Hearing none, he thanked Ms. McNeil.

Mr. Robert Keller, Health Department Administrator, introduced Mr. Tom Anderson, Director of Environmental Health. Mr. Keller presented a request for approval of an Amendment to Chapter 28 of the McLean County Code, Health and Sanitation. He stated that this Amendment addresses a minor revision in sizing requirements for subsurface private sewage disposal chamber systems. The proposed Amendment reduces the over-sizing requirement established by the Department several years ago and institutes a common approach for sizing bottom areas for both gravel and gravel-less onsite wastewater disposal systems.

Chairman Sorensen asked if this change will increase or decrease the cost to the public. Mr. Keller replied that it will cost less.

Motion by Selzer/Berglund to recommend Approval of  
an Amendment to Chapter 28 of the McLean County  
Code, Health and Sanitation.  
Motion carried.

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

Mr. Don Lee, Director, Nursing Home, reviewed the Nursing Home Monthly Report. He noted that the month of May was a good month and he projects to be in a positive stance by the end of the year. The census for May was 140 residents and the census for June was 143 residents. Mr. Lee noted that the Medicare census was down slightly and the Public Aid census was up. He indicated the report for June should be positive as well.

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

Mr. Don Everhart, Chief Deputy Recorder, Recorder's Office, presented the Monthly Financial Reports for May, 2006, noting that everything balances.

Chairman Sorensen asked if there were any questions or comments. Hearing none, he thanked Mr. Everhart.

Mr. John Zeunik, County Administrator, introduced Ms. Helen Barrick, Managing Partner, Clifton Gunderson L.L.P. He advised the Committee that each year at this time, the County's outside auditor presents the Comprehensive Annual Financial Report for the Year ended December 31, 2005, the Management Letter of Advisory Comments and the Single Audit Report, which was included in the Agenda packet. Mr. Zeunik advised that the Finance Committee members will not receive another copy in their County Board packet.

Ms. Barrick introduced Ms. Carla Pascal, Senior Manager, Clifton Gunderson.

Ms. Barrick distributed a Statement of Activities sheet to assist in her review of the Audit Report.

Ms. Barrick indicated that this is the third year of the implementation of the Governmental Accounting Standards Board Statement #34 (GASB-34). She stated that there are still some things that need to be worked through, though every year the Treasurer's Office and the Auditor's Office learn a bit more about GASB-34. Ms. Barrick indicated that the Financial Statements are the same as in past years.

Ms. Barrick noted that some reclassifications were done this year in conjunction with the Auditor's Office. She stated that, in the past, there were some payments on infrastructure that other entities had paid to McLean County that were actually reducing expenditures. Ms. Barrick indicated that the FY'2004 numbers in some of the Highway Funds would match the bottom line in prior reports, but the revenues would be a little higher and expenses would be a little higher. A variety of reclassifications were done at the recommendation and in conjunction with the Auditor's Office.

Ms. Barrick reviewed the following:

- Independent Auditor's Report is the Auditor's opinion and is the only part that the Auditor has a say in what occurs. The Independent Auditor's Report offered an unqualified opinion, which indicates that the Financial Statements are presented fairly and in accordance with generally accepted accounting principals.
- Ms. Barrick stated that she does not audit the Public Building Commission (PBC) as that is done by another auditor and, based on the report of the other auditor, Clifton Gunderson incorporates the information into this document.
- Management's Discussion and Analysis (MD&A) is not a required part of the basic financial statements, but is supplemental information required by accounting principles generally accepted in the United States. The Outside Auditor basically reads the information and assures that the numbers agree with the Financial Statements, but they do not audit the contents. The Management's Discussion and Analysis was prepared by the Administrator's Office, the County Auditor's Office, and the County Treasurer's Office, and has been reviewed by the Outside Auditor. Ms. Barrick suggested that this will be a useful document in the future to compare years and is one document she suggests be read.

Ms. Barrick reviewed the Statement of Net Assets, which is the balance sheet. She stated that she did not have any particular comments on that report.

Ms. Barrick reviewed the distributed Statement of Activities Report, which is comprised of information from the MD&A and illustrates a comparison between 2004 and 2005. She pointed out that the first two columns are "Governmental Activities," the second two columns are the "Business-type Activities" the next column is "Total Primary Government," which is McLean County as a whole, and finally two entities called "Component Units," which includes the Emergency Telephone System Board and Public Building Commission.

Ms. Barrick pointed out that "Governmental Activities" are all funds other than the "Business-type Activities," which is the Nursing Home, and Trust and Agency Funds, which include things like Collector's accounts, Circuit Clerk Bond accounts and accounts that are not operating accounts of the County.

Ms. Barrick stated that total revenue in "Governmental Activities" was \$68,013,449.00 as compared to \$62,054,516.00 in 2004 for an increase of \$5,958,000.00. Ms. Barrick noted the following:

- Charges for Services was \$18,070,000.00 as compared to \$16,894,142.00 in 2004. Some factors for this include revenue that was recognized in 2005 related to the Bloomington-Normal Airport Authority, which was a reimbursement for Road Improvements of \$350,000.00. There was also an increase in the Public Building Commission maintenance reimbursements of approximately \$390,000.00. Ms. Barrick noted that there were a variety of general increases in charges for services for the various fee offices. Other entries incurred were employee portions of health insurance, Court Services and Sheriff's Department Services fee reimbursements and fees for Parks and Recreation usage.
- Operating Grants and Contributions includes all grants, such as grants to the Health Department, Probation Officers, etc. Operating Grants and Contributions were \$6,419,816.00 as compared to \$6,042,880.00 for an increase of approximately \$377,000.00. Increases were in the non-capital portion, including a Homeland Security Grant of \$562,000.00 and various Health Department Grants such as the WIC grant, Healthy Moms and Health Kids grants. There was also a Multi-disciplinary Grant of \$133,000.00. These increases were partially off-set by more than a \$200,000.00 decrease in the Probation Officer's Salary reimbursement and a decrease in the SHOWBUS Grant.
- Capital Grants were \$1,895,045.00 as compared to \$500,000.00 in 2004. In 2004, the \$500,000.00 capital grant was to renovate the Old Court House Dome. In 2005, \$776,000.00 of the \$1,895,045.00 was for equipment from the St. Clair County Interoperable Communication grant received and \$1,118,000.00 was for an IDOT Contribution on a road which McLean County is paying 20% and IDOT is paying 80%.
- Taxes went from \$37,671,271.00 in 2004 to \$40,290,174.00 in 2005. The largest increases were in Retailer's Occupation Tax, which increased about \$1.1 million, State Income Tax was up about \$227,000.00 and Personal Property Replacement Tax was almost \$400,000.00. Notable increases included: The General Fund went up \$88,000.00, the various Highway and Bridge taxes went up \$134,000.00 and Tort Judgment went up \$92,000.00. Included in the Tax amount are the Motor Fuel Tax Revenues that went up \$159,000.00. The biggest area that the figures came in higher are in the economic taxes, including sales tax.

General Revenues:

- Unrestricted Interest Earnings were \$1,057,908.00 as compared to \$730,162.00 in 2004 for an increase of \$327,000.00.
- “Other” is unclassified revenues, including the inheritance tax fees, which fluctuates from year to year. This year, they account for \$37,000.00 of the \$64,000.00 increase.

Ms. Barrick reviewed Expenses, noting:

- Expenses in 2005 were \$60,037,971.00, and expenses in 2004 were \$58,091,916.00, for a difference of about \$1.9 million.
- General Government area includes Board administration, Treasurer's Office, Auditor's Office, County Clerk's office and anything else that does not fall under public safety, highways or health and welfare. General Government was \$13,618,731.00 as compared to \$13,825,306.00 in 2004 for a decrease of \$206,000.00. The reason for the decrease is that the 2004 figure included the loss on the McBarnes Building of almost \$227,000.00. Personnel Services went up \$200,000.00, Contractual Services went up with utility and insurance increases as well as some of the PBC reimbursements costs. Commodities and Supplies decreased by \$80,000.00.
- Public Safety was \$25,719,553.00 in 2005 as compared to \$24,718,705 in 2004 for a more than \$1 million increase. Personnel Services, which includes employee benefits, is up \$640,000.00. Contractual Services were up \$267,000.00, which includes repetitive grants. Commodities were up \$108,000.00.
- Expenses in “Highways and Streets” went up from \$10,860,877.00 in 2004 to \$11,845,273.00 in 2005 or an increase of \$984,000.00. The significant increase in Highways is attributable to Contractual Services, which are the non-capital maintenance fees.
- Health and Welfare was \$7,225,898.00 as compared to \$7,084,915 in 2004 for an increase of \$140,000.00. Personal Services in this category were up \$173,000.00, Contractual Services were down \$60,000.00 and Commodities were up \$52,000.00. A lot of the funding in the Health Department is grant-driven.



- Culture and Recreation stayed about the same as did the Interest Expense, which is driven by what is owed to the Public Building Commission in interest as well as capital leases related to such items as copy machines.

Ms. Barrick reported that, overall, there was an excess of revenues over expenses of \$7,975,000.00. The County transferred \$488,000.00 to the Nursing Home for IMRF costs. There was a net change in assets of \$7,486,000.00.

Ms. Barrick reviewed the "Business-type Activities," noting that this is strictly the Nursing Home. She noted that charges for services were \$5,893,000.00 compared to \$5,456,000.00 in 2004 for an increase of about \$436,000.00. Expenses for "Business-type Activities" were \$6,010,748.00 as compared to \$5,801,763.00 in 2005 for an increase of more than \$200,000.00. The biggest part of the increase is in salaries. The excess of Revenues over expenses was \$78,000.00.

Ms. Barrick stated that she has no particular comments regarding the individual funds. Most funds are in good condition. The funds with deficits are well documented and an effort is being made to reduce the deficit.

Ms. Barrick indicated that in 2004 there were about 150 journal entries and this year there were between 90-100 journal entries, which reflect the efforts being made by the County Auditor and County Treasurer to have the books in good condition.

Ms. Barrick reported that the only area of difficulty noted were in the area of grants. She stated that the Single Audit Report has a few comments on the grants that are not repeated in the Management Letter. Ms. Barrick recommended that financial people be involved with all of the grants.

Ms. Barrick encouraged on-going communication with the Public Building Commission to ensure that the fixed assets are reported and recorded accurately.

Ms. Barrick noted that the Management Letter includes pronouncements that need to be adhered to, including modifying the statistical section in the report. Ms. Barrick indicated that the Management Letter includes information related to GASB Statements Number 43 and 45, which talks about post-employment benefits other than pensions and could impact a significant number of dollars.

Chairman Sorensen asked Ms. Barrick to describe the differences between the County's current asset inventory procedures and those required by some of the Federal grants of which the County is out of compliance. Ms. Barrick responded that the Federal Government requires a physical inventory of the grants every two years and the County has been doing it every four years. It will require more periodic reviews. She also indicated that the County needs to differentiate between what Federal property is owned and what was not acquired with Federal dollars. Chairman Sorensen asked if this is a new requirement. Ms. Barrick replied that it is not a new requirement. She indicated that this came to everyone's attention as part of the Homeland Security grant received by the County.

Mr. Lindberg reported that the Homeland Security money came very quickly without detailed guidelines. There have been major changes between what was allowed in 2005 and what is allowed in 2006. Previously, the money was distributed before specific guidelines were determined. Mr. Lindberg stated that the County did what it was instructed to do by the State Agencies and later learned that there were other procedures that needed to be done.

Mr. Lindberg stated that the Auditor's Office has developed a form, which continues to be refined, to keep track of grants. He indicated that one individual in the Auditor's Office should be assigned to provide the financial oversight on the grants.

Ms. Barrick concurred that the funds from Homeland Security were distributed first and then the administration of the funds was determined.

Chairman Sorensen asked if there were any questions or comments for Ms. Barrick.

Chairman Sorensen outlined the significant points Ms. Barrick discussed, namely:

- Refine the process of moving financial data between the Public Building Commission and the County in advance of the audit;
- Work on a plan for compliance of requirements found in circular A-133, the supplemental, which is grant-funded equipment and inventory of equipment;
- Employee expense reimbursement procedures;
- Plan for compliance with GASB 43, 44 and 45.

Ms. Barrick noted that GASB 44 is the most important one for the County.

Ms. Barrick concurred that those were the highlights of her report.

Chairman Sorensen called for a motion to accept and place on file the Audit Reports from Clifton Gunderson.

Motion by Berglund/Nuckolls to accept and place on file the Combined Annual Financial Report for year ended December 31, 2005, the Management Letter of Advisory Comments and the Single Audit Report on file and forward these reports to the County Board members with the July Board packet.  
Motion carried.

Chairman Sorensen indicated that the Committee needs to decide what steps to take in regard to the Outside Auditor's "to do" list. Historically, the issues are referred to the appropriate department heads and the Administrator's Office who then report back to the Finance Committee.

Mr. Selzer pointed out that there are no specific action items for particular departments, except for the grants. Chairman Sorensen noted that exchanging data between the PBC and the County is the combined responsibility of the Treasurer's Office and the Administrator's Office; the plan for compliance with A-133 is the Auditor's Office; the employee expense documentation is the Auditor's Office and the GASB requirements is the Auditor's Office.

Ms. Selzer recommended that, instead of going back to each of the Department Heads, the Administrator's Office report back to the Committee.

Motion by Selzer/Moss to assign the Administrator's Office to report back to the Finance Committee with the status of the completion of the Outside Auditor's recommendations.  
Motion carried.

Chairman Sorensen thanked Ms. Barrick and Ms. Pascal.

Mr. Zeunik presented a request for approval of a CDAP Revolving Loan Fund Application for the Coffee Hound. He stated that the applicants, April and Steve Fritzen, proprietors of the Coffee Hound are requesting \$100,000.00 from the Revolving Loan Fund for the creation of a new store in downtown Normal. The new store will be very similar in operation to the existing Coffee Hound in Bloomington.

Mr. Marty Vanags, EDC, introduced the applicants, April and Steve Fritzen, as well as Mr. Doug Roesch and Mr. Rob Fazzini of Busey Bank in Bloomington.

Mr. Vanags stated that the application meets the mission of the loan program and the applicants meet the key criteria of the loan program in that they are creating or retaining at least one full-time equivalent job for every \$15,000 being loaned or requested. Mr. Vanags asked that the Committee approve the loan.

Ms. Fritzen provided an overview of the plans for the proposed location for the Coffee Hound in Normal. Ms. Fritzen noted that the new location in Normal will be in the old Velvet Freeze space at 205 West North Street. Mr. Fritzen stated that the Coffee Hound will have a limited lunch menu and home-made baked goods. There will be approximately 50 seats in the facility.

Chairman Sorensen reviewed that the Coffee Hound is requesting a ten-year, 6%, \$100,000.00 note. Chairman Sorensen recommended that the Committee's approval should be pending the approval of the SBA Loan application, a \$50,000.00 grant award from the Town of Normal and should require a personal guarantee, which is not listed in the document.

Motion by Selzer/Owens to Recommend Approval of the CDAP Revolving Loan Application for the proposed Coffee Hound in Normal, Illinois with the condition that the Coffee Hound receives the SBA Loan, the \$50,000.00 grant award from the Town of Normal and with a personal guarantee.  
Motion carried.

Chairman Sorensen asked if there were any further questions. He announced that this will be recommended to the County Board on Tuesday, July 18<sup>th</sup>.

Mr. Zeunik presented a request for approval of a Resolution Setting the Salary of the Public Defender at 90% of the State's Attorneys Salary. He explained that Illinois Law provides a full-time Public Defender, who is not permitted to have an outside practice, with a salary that should be at 90% of the State's Attorneys salary and that the State should reimburse 2/3rds of that salary. The State has never appropriated sufficient funds to reimburse the salary and, therefore, most Counties have ignored that division of the law. Mr. Zeunik stated that, last year, the General Assembly approved funding for reimbursement of the salaries of Public Defenders.

Mr. Lindberg advised that the current Public Defender's salary is \$94,643.000 with no State reimbursement, so the entire amount is paid out of the County budget. The State's Attorney's salary, 2/3rds funded by the State, will be \$154,987.00 next year. The Public Defender's salary, under this law, would be \$139,489.00, which is a significant increase for the Public Defender. However, with the State's share at \$93,000.00, the County would pay \$46,450.00, which is a decline of \$48,193.00. Mr. Lindberg recommended that the Committee approve the change in salary for the Public Defender.

Mr. Selzer expressed some concern with the significance of the amount of difference in salary.

Mr. Zeunik advised that the Committee does not have to approve the recommended change in salary, but can continue to pay at the current rate. However, to be eligible for the reimbursement from the State, the salary must be changed to 90% of the State's Attorneys salary.

Ms. Berglund suggested that if there is an opportunity to save tax dollars, the County should take advantage of the savings.

Motion by Berglund/Moss to Recommend Approval of a Resolution of the McLean County Board Setting the Salary of the Public Defender at 90% of the State's Attorney's Salary to Qualify for two-thirds salary Reimbursement Under 55 ILCS 5/3-4007.

Mr. Owens asked if the Public Defender would be the second highest paid County employee in the County should this be approved. Mr. Zeunik replied that he is correct. Mr. Owens expressed concern with this issue and stated that he would vote against the request. He asked for a roll call on the vote.

Chairman Sorensen called roll and indicated the Chairman would vote:

Member Selzer:	No
Member Moss:	Yes
Member Owens:	No
Member Nuckolls:	Yes
Member Berglund:	Yes
Chairman Sorensen:	Yes

Motion carried with a vote of four "yes" and two "no."

Chairman Sorensen called for a motion to go into Executive Session to discuss Litigation with Ms. Jennifer Ho, Risk Management.

Motion by Nuckolls/Owens to Recommend the Finance Committee go into Executive Session at p.m. to discuss Litigation with the Committee Members, Ms. Jennifer Ho, Risk Management, Outside Counsel, Mr. Eric Ruud, First Assistant State's Attorney, Mr. Don Lee and the Administrator's Office Staff at 5:23 p.m.

Motion carried.

Motion by Owens/Selzer to recommend the Finance Committee return to Open Session at 5:42 p.m.

Motion carried.

Mr. Zeunik reviewed the report on the Assist First-Time Homebuyer Down Payment Assistance Program. He indicated that, during the past nine months, the program has helped 130 families purchase homes in the County totaling more than \$14.1 million. In the prior 12 months (2004), the program helped 107 families purchase homes in McLean County totaling more than \$11.2 million.

Mr. Owens reported that Mid-Central Community Action will be constructing 23 to 26 single family residences that will be affordable homes sold to first time home buyers.

Mr. Zeunik presented a "DRAFT" Ordinance Regulating Smoking in Public Places and Places of Employment in the Unincorporated Areas of McLean County. This item is the result of the Governor signing Senate Bill 2400, which extended the authority to regulate smoking to Counties and non-home rule units of government. Mr. Zeunik stated that the Ordinance will be reviewed and discussed at this meeting. In addition, graphical information will be provided that shows where the public places and places of employment are located in the unincorporated area.

Mr. Zeunik asked Mr. Eric Ruud, First Assistant State's Attorney, who prepared the "DRAFT" Ordinance, to present an overview of the Ordinance.

Mr. Ruud stated that Senate Bill 2400 is now Public Act 94-917 which took effect on becoming law. Specifically, with respect to non-home rule Counties, it allows McLean County to regulate smoking in any enclosed indoor area that is either used by the public and/or serving as a place of work. He stressed that this only applies to the unincorporated areas in McLean County, not to Bloomington or Normal as they passed their own Ordinances. Also, it would not apply to LeRoy, Cooksville or any incorporated cities, towns and villages. However, it would apply to the hamlets, such as Clarksville, Sabina, and Holder.

Mr. Ruud compared the Ordinance to what Bloomington and Normal have already passed. He stated that all of the "Whereas" clauses were derived from the "Whereas" clauses in Normal's Ordinance. These clauses were determined based on the public hearings and input that the Town of Normal received.

Mr. Ruud indicated that the Definition sections were derived from both Normal and Bloomington. Mr. Ruud reviewed the following:

- Normal bans smoking in outdoor places of public assembly.
- Bloomington does not ban smoking in outdoor places.
- The County's proposed Ordinance does not ban smoking in outdoor places.
- Bloomington and Normal banned smoking in their own facilities and vehicles.
- The County's proposed Ordinance also bans smoking in County-owned facilities and vehicles.
- Bloomington and Normal banned smoking in all enclosed public places and places of employment.
- The County's proposed Ordinance contemplates the same thing.
- Bloomington and Normal permit smoking in certain private residences, designated hotel rooms, tobacco stores, private clubs, lodges and churches.
- The County's Ordinance will be the same.
- Bloomington and Normal permits smoking on outdoor patio's sideways, roads, parks and golf courses.
- The County does not regulate smoking outdoors.
- Bloomington and Normal allows citizens to file complaints.
- The County's Ordinance indicates complaints can be made to the Sheriff's Department.
- Bloomington, Normal and the County's proposed Ordinance will require all public places and places of employment to post no smoking signs at their public entrances.

- Bloomington, Normal and the County's proposed Ordinance will provide for fines in case there are violations.
- The County cannot put people in jail for smoking under Illinois Law, but can issue fines.
- Normal and the County's proposed Ordinance provide managers, owners, operators and persons in control of places that are subject to the Ordinance with an affirmative defense.
- Bloomington does not provide an affirmative defense.

Mr. Ruud explained that if a bar owner does nothing when someone complains of another patron smoking, the bar owner can be convicted of an Ordinance violation for allowing someone to smoke in a public place. The Normal Ordinance and the proposed County Ordinance provides an affirmative defense. If the bar owner goes to the patron who is smoking and tells them there is no smoking allowed, but the patron ignores the owner and the owner calls the Sheriff, that provides an affirmative defense for the owner and the owner cannot be liable.

Mr. Ruud stated that Mr. Bob Keller, Director of the Health Department, has been assigned to provide education on the Smoking Ban Ordinance for McLean County.

Mr. Ruud reported that the effective date for the County's proposed Ordinance will match that of Bloomington and Normal and will be effective January 1, 2007. He noted that if this Ordinance passes, there will be two other Ordinances that he will recommend, namely changing the Personnel Code to make smoking in a County building or vehicle a violation, and amending the Liquor Code to make it an offense to allow smoking in bars.

There was some discussion on what the fine would be for repeated offenses. Mr. Ruud replied that fine could range from \$25.00 to \$500.00. He stated that the fine could increase as the offenses continue.

Mr. Moss asked how will an officer establish proof that someone was smoking. Mr. Ruud stated that offenses will be looked at case by case. Mr. Owens asked if the Sheriff's Department will employ assistance from local town police. Mr. Ruud replied that it would depend on Mutual Aid Agreements with the different communities.

There was some discussion on what constitutes a private club. Mr. Ruud stated that a private club must be exclusively private and the public cannot use the facility for any reason.



Mr. Zeunik introduced Mr. Juan Garcia, GIS Specialist, who prepared exhibits that were distributed by Mr. Lindberg.

Mr. Garcia presented a Power Point Report which highlighted the following:

- Locations of liquor and food license holders in the Unincorporated area of McLean County.
  - There is a total of 14 liquor license holders and five food license holders
- Locations of places of employment in the Unincorporated area.
  - Information was gathered from Building and Zoning, the Assessor's Office and E-911;
  - The areas include industrial and commercial businesses;
  - There are approximately 268 businesses.

Mr. Selzer suggested that the issue be carefully reviewed and a decision be made on facts and not emotion. He asked that Mr. Bob Keller, Director, Health Department, prepare a presentation to share with the Finance Committee at the next meeting. Ms. Berglund stated that all of the information on second-hand smoke is available on the Internet and from material already collected by Bloomington, Normal and the County Health Department. Mr. Moss also pointed out that Bloomington and Normal documented the ills of second-hand smoke, but, he noted, there will continue to be people who reject all of the research.

Mr. Owens recommended that the County be consistent with Bloomington and Normal.

Mr. Selzer suggested that a work meeting be held with elected representatives of each of the City Councils or Town Boards, such as LeRoy, Ellsworth, etc., so that they can gather the information should they decide to pursue a smoking ban as well. Chairman Sorensen stated that these cities and towns are well aware of the smoking ban issue and will likely make their own decision on implementing a ban in their communities.

Chairman Sorensen stated that the business owners and patrons of the various establishments have a right to attend public hearings to gather information.

Mr. Selzer asked that Mr. Keller provide a presentation next month for the Finance Committee and, thereafter, make decisions on public hearings and information distribution.

Ms. Berglund recommended that letters from the County Board be sent to the businesses and various food and drink establishments in the Unincorporated areas of McLean County to invite them to open meetings or informational meetings so that they are well informed of the proposed Smoking Ban Ordinance. Mr. Selzer stated that these meetings should be postponed until the members of the Finance Committee and the County Board are fully aware of the facts first.

Chairman Sorensen recapped the discussion of the Committee, noting the following:

- Mr. Keller and staff of the Health Department to prepare an executive summary, informational presentation
- Communication and supporting data is the key

Chairman Sorensen presented the June 30, 2006 Finance Committee bills for review and approval as transmitted by the County Auditor. The Finance Committee bills include a prepaid total of \$616,798.90, a pending total of \$293,241.09 for a Fund Total of \$910,039.99. The Nursing Home Fund is \$399,336.89 with the prepaid total the same.

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Motion by Owens/Moss to recommend approval of the  
Finance Committee bills as of June 30, 2006.  
Motion carried.

There being nothing further to come before the Committee at this time,  
Chairman Sorensen adjourned the meeting at 6:30 p.m.

Respectfully Submitted,

Judith A. LaCasse  
Recording Secretary

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