

Minutes of the Finance Committee

The Finance Committee of the McLean County Board met on Tuesday, May 2, 2006 at 4:00 p.m. in Room 400 of the Government Center, 115 East Washington Street, Bloomington, IL.

Members Present: Vice Chairman Berglund, Members Moss, Nuckolls, and Owens

Members Absent: Chairman Sorensen and Member Selzer

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:

Mr. Don Lee, Director, Nursing Home; Ms. Jennifer Ho, Risk Manager; Mr. Don Everhart, Chief Deputy Recorder, Recorder's Office; Ms. Connie Clifford, Chief Deputy Assessment Officer, Supervisor of Assessments Office; Ms. Peggy Ann Milton, County Clerk; Mr. Bill Yoder, State's Attorney

Others Present: Ms. Chris Colaw, Accounting Specialist

Vice Chairman Berglund called the meeting to order at 4:08 p.m.

Vice Chairman Berglund presented the minutes from the April 4, 2006 Finance Committee Meeting for approval.

Motion by Nuckolls/Owens to approve the Minutes of the April 4, 2006 Committee Meeting.
Motion carried.

Mr. Don Lee, Director, Nursing Home, reviewed the Nursing Home Monthly Report. He noted that March was a good month. Mr. Lee indicated that the expenses associated with the beginning of the year have passed and will not reoccur later in the year. He reported that March ended on a positive note and he expects April to be the same. Mr. Lee stated that the Medicare census dropped in April from 9.5 residents per day to 5.4 residents per day. Overall the census went down slightly as April had more deaths and discharges of residents than normal. Mr. Lee stated that the current census is 142 residents.

Vice Chairman Berglund asked if there were any questions. Hearing none, she thanked Mr. Lee for his report.

Ms. Jennifer Ho, Risk Manager, reported that, for the first quarter in FY 2006, the County had three new auto physical damage claims, one auto liability claim and thirteen new workers compensation claims. She noted that, compared to prior first quarter claims since 2002, workplace injuries rank second highest. Of the three reported auto physical damage claims, two involved third-party liability and she anticipates recovery for damages.

Ms. Ho indicated that the County has not settled any claims in excess of \$10,000.00, for all claims prior to FY 2006. She noted that she expects partial reimbursement for legal expenses for a personal injury claim as provided by a contractual agreement. In the area of workers' compensation claims activity, reserves were increased by \$345,330.00 from last quarter, due to the increased exposure from indemnity cases. The County remains hopeful that it will be able to recoup some of this increase from third-parties for three of the claims which involved negligent acts of third-parties. Ms. Ho advised that, in the area of liability claims, the County is monitoring the costs of defense which was increased by 40% and she will advise if this should substantially affect the Risk Management Fund.

Ms. Ho reported that first quarter Risk Management Fund dollars were used by five County departments for the cost of registration for OSHA workplace safety training.

Vice Chairman Berglund asked if there were any questions. Hearing none, she thanked Ms. Ho for her report.

Mr. Don Everhart, Chief Deputy Recorder, Recorder's Office, presented a request for approval of an Ordinance imposing a tax upon the transfer of beneficial interest in real property. Mr. Zeunik distributed another version of the Ordinance that included the strike-outs and additions that were made. Mr. Zeunik explained that the Ordinance was modified only slightly. He indicated that the modifications were prepared by Mr. Brian Hug, Civil Assistant State's Attorneys.

Mr. Zeunik reported that, although it appears to be a new tax imposed by the Recorder's Office, it has actually been in existence and this is simply clearing up some language in the current Ordinance to clarify changes in State law and a few minor modifications. Mr. Lindberg further explained that there has been confusion in the past regarding the belief that a transfer of a beneficial interest in

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a trust is different than a sale. In fact, a transfer of a beneficial trust is, indeed, a real estate transaction. This Ordinance clarifies this point and makes it match the change in State statutes so there should be no further confusion.

Mr. Owens recommended that the minutes reflect that the Committee is voting on the approval of the distributed Ordinance, including the minor modifications. Mr. Zeunik replied that it will be clarified to the Board when it is prepared for the Board Agenda.

Motion by Owens/Moss to recommend Approval of an Ordinance Imposing a Tax upon the Transfer of Beneficial Interest in Real Property as distributed at the Finance Committee Meeting.
Motion carried.

Mr. Everhart presented the Monthly Financial Reports for March 2006, noting that everything balances.

Vice Chairman Berglund asked if there were any questions or comments. Hearing none, she thanked Mr. Everhart.

Ms. Connie Clifford, Chief Deputy Assessment Officer, Supervisor of Assessments Office, presented the Assessment Status Report. She stated that the 2006 Assessment year has officially begun, noting that this is one of the earliest this has ever happened. Ms. Clifford pointed out that the first page of the report is the official status report that is sent out to township assessors on a regular basis. The second page is a ten-year history of the township multipliers. Ms. Clifford pointed out that McLean County has received a multiplier of one every year. The final page of the report is a list of the top ten taxpayers, including State Farm, Wal-Mart and Eastland Mall.

Vice Chairman Berglund asked if there were any questions. There were none.

Mr. Zeunik reported that Ms. Becky McNeil, County Treasurer, could not attend the meeting and will present her monthly reports at a Stand-up meeting on Tuesday, May 16th.

Ms. Peggy Ann Milton, County Clerk, presented a request for approval of a Departmental Reorganization in the County Clerk's Office. Ms. Milton stated that she has been working with the Administrator's Office to reorganize the County Clerk's Office. She asked Mr. Lindberg to review the changes. Mr. Lindberg explained that the Elections portion of the operation is currently headed by a

Grade 8 Program Administrator position. The Vital Records function is comprised of all Grade 4 Clerks, although one employee has a lead designation and is paid slightly more.

Mr. Lindberg indicated that there is currently a Grade 8 Program Administrator for Tax Extension. While no permanent clerical positions report to the Program Administrator, during the tax cycle a lot of the positions will do tax work just as, during the peak of the election cycle, a number of employees are involved in elections. Mr. Lindberg stated that, when it is necessary to fill the Grade 8 Tax Administrator position, it is possible to find skilled people in the private sector with skills that are transferable at that level. However, it is difficult to fill the Elections Administrator position at the Grade 8 level.

Mr. Lindberg advised that the reorganization will be budget neutral. He stated that the reorganization will make two specific changes. The first is the existing Grade 8 Election Program Administrator will be replaced with an Office Support Specialist II, which is a Grade 6 position and will lead the Elections function. The Records employees will assist with the Elections and Tax needs as necessary. The Grade 4 lead position in Records will be upgraded to a Grade 6 position and that position will have more independence in running the Records part of the office, i.e. birth and death certificates, genealogy, etc. The upgraded Grade 6 position will also work with Elections and Tax Extension during peak times.

Mr. Lindberg summed up the changes, noting that a Grade 8 will be replaced with a Grade 6 and a Grade 4 will be upgraded to a Grade 6. The changes have no budgetary impact.

Mr. Moss asked if someone will step down in pay. Ms. Milton replied that one employee will take a cut in pay. She noted that this individual accepted the position knowing that there might be a change to the position. Mr. Lindberg advised that the employee was recently promoted to a higher position on a probationary status and was fully aware of the potential change. He indicated that the employee's salary increased approximately \$3.00+ per hour following the promotion and the salary will decrease approximately \$2.00 per hour.

Mr. Nuckolls asked what the long-term impact will be on the budget. Mr. Lindberg replied that it will be a budget savings if all of the employees remain in the restructured positions.

Mr. Moss asked if this reorganization will serve the County Clerk's Office into the future. Ms. Milton replied that, during the budget cycle, she intends to come to the Committee to request additional lower support staff to help during the tax and

election cycles. Mr. Lindberg added that the clerical assistant positions are a category of part-time people at a Grade 4 level.

Motion by Nuckolls/Moss to recommend Approval of a
Departmental Reorganization in the County Clerk's
Office.

Motion carried.

Ms. Milton stated that she will have a quarterly report available to present to the Finance Committee at the June meeting.

Mr. John Zeunik, County Administrator, presented a request for approval of a Master Services Agreement for Employee Assistance Services with Chestnut Global Partners, LLC. Mr. Zeunik reported that McLean County has had a relationship with Chestnut Employee Assistance Services since the County first offered an employee assistance program. He indicated that this contract mirrors the Agreements from the past. The minor changes on the Agreement were requested by Chestnut due to its reorganization as Chestnut Global Partners. Mr. Zeunik reported that Mr. Eric Ruud, First Assistant Civil State's Attorney, reviewed and clarified the language in the contract.

Mr. Zeunik pointed out two new services that will be provided by Chestnut. The first is Identity Theft Services and the second is Elder Care Services for aging family members. These additional services are provided at no additional charge.

Mr. Nuckolls asked how much this service costs. Mr. Zeunik replied that it costs the County \$18,000.00 per year, which is paid out of the Employee Benefits Fund.

Motion by Owens/Nuckolls to recommend Approval of
a Master Services Agreement for Employee
Assistance Services with Chestnut Global Partners,
LLC.

Motion carried.

Mr. Zeunik presented a request for approval of the Resolution Establishing the Budget Policy for Fiscal Year 2007. He stated that this is presented to the Finance Committee, which will recommend it to the Executive Committee and then to the Board. Mr. Zeunik advised that this Resolution is presented in May of each year. He indicated that the County begins the departmental preparation of the 2007 Budget in June, which is then presented to the Board in September. Mr. Zeunik noted that there are no significant changes proposed in the Budget

Policy. The only difference in this Policy versus last year's is that some of the language has been clarified.

Motion by Nuckolls/Owens to recommend Approval of the Resolution Establishing the Budget Policy for Fiscal Year 2007.
Motion carried.

Mr. Zeunik presented a request for approval of an Ordinance of the McLean County Board establishing the annual salary of the Sheriff, the County Treasurer and the County Clerk. He explained that, in even years, the County is required to set the annual salary for County-wide elected officials who are standing for election in November. The following are the three elected official groupings:

- The Sheriff is the highest paid County-wide elected official;
- The County Clerk, Circuit Clerk and County Treasurer are grouped together as the second highest paid elected officials, all receiving the same salary;
- The County Auditor, County Coroner and County Recorder are the third group and each is paid at the same rate.

Mr. Zeunik explained that the three distinctions are based on the difference between the constitutional officers and the non-constitutional officers. The Sheriff, the County Clerk, the Circuit Clerk and the County Treasurer are considered the constitutional officers, or the major officers. The County Auditor, the County Coroner and the County Recorder are considered non-constitutional officers. Mr. Zeunik announced that the proposed salary Ordinance reflects that differential and also reflects the 4% increase the elected officers have been receiving.

Mr. Zeunik stated that, for those County Board members who are standing for election as members of the County Board, the Executive Committee will consider an Ordinance next Tuesday setting the salaries for the County Board, as the Executive Committee has departmental oversight responsibility for the County Board. In 2004, the Board adopted a policy that sets, beginning in January, 2007, a 2.5% increase for Board members, Committee Chairmen and the Chairman of the County Board.

Mr. Nuckolls asked if the 4% increase for elected officials is set for the next four years. Mr. Zeunik stated that, by law, the salary must be set for each year of the term.

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Mr. Owens announced that he opposed this increase the last time it went before the Board, as it was during a difficult budget time. He indicated he will vote to move this along to the full Board, but will likely vote against it at the Board meeting.

Mr. Zeunik noted that a number of the elected officials receive a stipend from the State of Illinois, which cannot be taken into consideration when determining their salary.

Motion by Moss/Nuckolls to recommend Approval of an Ordinance of the McLean County Board Establishing the Annual Salary of the Sheriff, the County Treasurer and the County Clerk.
Motion carried.

Vice Chairman Berglund called for a motion to go into Executive Session to discuss Collective Bargaining and to discuss a Personnel matter in the State's Attorneys Office.

Motion by Moss/Owens to Recommend the Finance Committee go into Executive Session at 4:47 p.m. to discuss Collective Bargaining and to discuss a Personnel Matter with the Committee Members, State's Attorney and the Administrator's Office Staff.
Motion carried.

Motion by Owens/Moss to recommend the Finance Committee return to Open Session at 5:11 p.m.
Motion carried.

Vice Chairman Berglund presented the April 30, 2006 Finance Committee bills for review and approval as transmitted by the County Auditor. The Finance Committee bills include a prepaid total of \$944,933.48 and a Fund Total that is the same. The Nursing Home Fund is \$463,536.49 with the prepaid total the same.

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

There being nothing further to come before the Committee at this time, Vice
Chairman Berglund adjourned the meeting at 5:14 p.m.

Respectfully Submitted,

Judith A. LaCasse
Recording Secretary

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