

Minutes of the Finance Committee Meeting

The Finance Committee of the McLean County Board met on Tuesday, November 7, 2000 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 Stevens, Members, Sweeney, Peterson, Sorensen,

Members Absent: Mr. Renner

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. Janet Smith, Assistant Treasurer; Ms. Jennifer Ho, Risk Manager; Mr. Bob Kahman, Supervisor of Assessments, Mr. Jack Mitchell, County Engineer, Highway Department

Chairman Stevens called the meeting to order at 5:32 p.m.

Motion by Sweeney/Peterson to approve and place on file the minutes of the October 3, 2000 meeting as presented. Motion carried.

Mr. Bob Kahman, Supervisor of Assessments, presented a status report for the assessment cycle. The process is beginning and no notices have been sent out as of yet.

Ms. Janet Smith, Assistant Treasurer, presented the County Treasurer's Report as of October 31, 2000; the County Treasurer's Investment Report as of October 31, 2000, and the County Treasurer's Employee Benefit Fund as of October 31, 2000.

Motion by Sorensen/Renner to accept and place on file the County Treasurer's Report as of October 31, 2000, the County Treasurer's Investment Report as of October 31, 2000, and the County Treasurer's Employee Benefit Fund as of October 31, 2000. Motion carried.

Ms. Jennifer Ho, Risk Manager, presented the Risk Manager Fund Report for the Third Quarter. The County claims experience continues to indicate an improvement over prior years. However, Ms. Ho advised the Committee that the excess insurance premium is expected to increase. The increase is due to the reinsurance rate, not the County's claim experience. The rates for the Nursing Home will also increase because of a nationwide increase of 40% for nursing home liability coverage.

Mr. Terry Lindberg, Assistant County Administrator, presented a request for approval of a Resolution to Amend Rates for Life Insurance Coverage for Fiscal Year 2001. Mr. Lindberg explained that all full-time employees are provided a \$10,000.00 Life Insurance policy. The rates for the Life Insurance were approved at the October County Board Meeting. These Life Insurance rates were \$2.70 per month per full-time employee. However, rates were found in the market place for \$1.65 per month per full-time employee.

Motion by Sorensen/Sweeney to recommend approval of a request to amend a Resolution of Life Insurance Coverage rates for Fiscal Year 2001. Motion carried.

Mr. Lindberg presented a response to the request made October 3, 2000 by the Finance Committee regarding the Supervisor/Employee pay differentials. The Committee asked that Mr. Lindberg consult with Mr. Bill Pack, PAS, regarding the pay differentials. Mr. Lindberg asked Mr. Pack if it is necessary to pay a supervisor more than the employee's being supervised and if there is an "industry standard" for the spread between supervisor and the employee's pay. Mr. Lindberg indicated that Mr. Pack's response was that it is not necessary to pay a supervisor more than the people being supervised, but the growth potential in the supervisor range should be greater than the positions being supervised. This is a frequent issue when positions being paid on a longevity-based system are being supervised by positions paid on a merit basis.

Mr. Lindberg indicated that Mr. Pack stated that there is no absolute standard spread. PAS has used a spread of 10% between classes in a series to 30% at top management levels. In promotional situations, at least a 5% increase should be given. Mr. Lindberg stated that the current County policy requires that a 5% increase be given to employees for a promotion. The non-union pay and classification system is structured to avoid instances of pay compression between the supervisor and the subordinate. The difficulty arises when the subordinate job class is part of a bargaining unit and is controlled by contract, instead of the County pay and classification system.

Mr. Lindberg reviewed the four positions in question regarding the pay differential. He provided the Committee with the costs of allowing for a 5%, 7.5% and a 10% differential for the remainder of FY 2000 and all of FY 2001.

Mr. Sorensen stated that he understands the issue, but is concerned that if the policy is that non-union supervisors have to make more than the union employee, then the County will have labor negotiation problems because the supervisor can only benefit from higher paid union employees. Mr. John Zeunik, County Administrator, stated that Administration handles the economics of the labor negotiations. Mr. Sorensen stated that if the Department Head is involved in labor negotiations and asked supervisors their

feelings on issues involving the negotiations, the concerns brought back might be those that would benefit the supervisors. Mr. Lindberg indicated that he did not think that this would be a problem.

Mr. Peterson stated that if the supervisor received a 5% increase at the time of promotion and had growth potential, the differential isn't necessary. Mr. Sorensen added that **long-term** employees have value. A supervisor above a long-term employee may not have as much experience and may not make as much as the long-term employee due to the lack of experience.

Motion by Sweeney/Peterson to recommended a 5% increase for the positions specified in the packet with no policy set.

Mr. Sorensen asked why make the increase 5%. Mr. Sweeney replied that in promotional increases, 5% is acceptable. Chairman Stevens stated that 5% is a smaller amount to pay for equity. Mr. Sorensen stated that he does not have an objection to giving an increase, but the reasoning should be separate from the 5% promotional issue.

Mr. Sweeney votes "yes".

Mr. Peterson votes "yes".

Mr. Sorensen abstained.

Chairman Steven votes "yes"

Motion carried.

Mr. Lindberg presented a request for approval of the proposed Highway Department reorganization. The policy set during the PAS Salary Study was that no reclassifications be approved during FY' 2001. However, there was concern in the Highway Department over positions and education requirements of the Engineer position. There are two classes of Engineers, those with 4-year degrees, who are on a professional career track and those without degrees. The recommendation on the classifications fo the Engineer positions is contained in the packet. Mr. Mitchell has agreed to the changes, although he is not completely satisfied.

Mr. Lindberg stated that changes were made to the Civil Engineer positions. There was one title for Civil Engineer. This encompassed employees on the career track for Professional Engineer Certification and who have not earned an engineering degree. The level 10 Civil Engineer position is being eliminated and replaced by Civil Engineer I and Civil Engineer II. Civil Engineer I is recommended at a level 11 and Civil Engineer II is recommended at a level 12. The Civil Engineer positions are for those on a professional career track. Mr. Lindberg stated that the Engineering Technicians are proposed to change to a level 7 or 8 Engineer Technician I or II. Senior Technicians will remain at level 10 as Project Managers. This is being done so that the other positions are not

confused with Civil Engineers. Modest adjustment to the pay scale will need to be made if the proposal is passed. One employee is a grade 6 Engineer Technician who will move to a grade 8 Engineer Technician II. The total costs for implementation is approximately \$2,000.00 for the remainder of the year.

Motion by Sorensen/Peterson to recommend approval of the proposed Highway Department Reorganization Plan. Motion carried.

Mr. Zeunik presented a request for approval of a Resolution Establishing the Fairview Building Maintenance Program as a Capital Lease Fund. The nature and use of the Fairview Building has changed. The Capital Lease Fund will bring the Fairview Building into compliance with governmental accounting standards. Currently, the Regional Office of Education (ROE) and the YWCA occupy all of the space in the Fairview Building. As a part of their monthly lease payments, the ROE and the YWCA make a contribution towards a Capital Replacement Fund. The Property Committee concurs with the recommendation, which would need to be effective for the FY 2001 Adopted Budget.

Motion by Sweeney/Peterson to recommend approval of a Resolution Establishing the Fairview Building Maintenance Program as a Capital Lease Fund. Motion carried.

Motion by Sweeney/Peterson to go into Executive Session to discuss Collective Bargaining issues and Personnel Matters. The following individuals are asked to remain in the Executive Session: Mr. Charles Reynard, State's Attorney, Mr. John Zeunik, Mr. Terry Lindberg, and Ms. Lucretia Wood. Motion carried.

The Committee went into Executive Session at 6:08 p.m.

The Committee returned to Open Session at 6:31 p.m.

Chairman Stevens presented the bills, which have been reviewed and recommended for transmittal to the Finance Committee by the County Auditor.

Motion by Sorensen/Pokorney to recommend payment of the bills as presented by the County Auditor. Motion carried.

DATE 11/07/00
 TIME 8:09:52
 Finance Committee

MCLEAN COUNTY BOARD COMMITTEE REPORT
 AS OF 10/31/2000
 EXPENDITURE SUMMARY BY FUND

AUUY

FUND	FUND TITLE	PENDING TOTAL	PREPAID TOTAL	FUND TOTAL
0001	GENERAL FUND	\$916.13	\$121,934.22	\$122,850.35
0130	SOCIAL SECURITY EXPENSE		\$135,942.15	\$135,942.15
0131	I.M.R.F. FUND		\$106,050.00	\$106,050.00
0134	HISTORICAL MUSEUM		\$17,958.80	\$17,958.80
0135	TORT JUDGEMENT	\$16,285.31	\$72,707.88	\$88,993.19
0137	RECORDER DOCUMENT STORAGE		\$2,252.14	\$2,252.14
0164	CO CLERK O O C STORAGE	\$200.80	\$2,695.80	\$2,896.60
		82	\$459,540.00	\$476,943.23

Minutes of the Finance Committee Meeting
November 7, 2000
Page Five

There being nothing further to come before the Committee at this time, Chairman Stevens adjourned the meeting at 6:33 p.m.

Respectfully submitted,

A handwritten signature in cursive script that reads "Lucretia A. Wood". The signature is written in black ink and is positioned above the typed name.

Lucretia A. Wood
Recording Secretary