

Minutes of the Property Committee Meeting

The Property Committee of the McLean County Board met on Thursday, November 3, 2005 at 3:00 p.m. in Room 400, Government Center, 115 E. Washington Street, Bloomington, Illinois.

Members Present: Chairman Bostic; Members Dean, Harding, Selzer, Ahart and Moss

Members Absent: None

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

Department Heads/
Elected Officials

Present: Mr. Don Lee, Director, Nursing Home; Mr. Jack Moody, Director, Facilities Management Department

Chairman Bostic called the meeting to order at 3:06 p.m.

Chairman Bostic presented the Minutes of the October 6, 2005 Property Committee meeting. Hearing no objections or corrections, Chairman Bostic accepted and placed the minutes on file as submitted.

Mr. Jack Moody, Director, Facilities Management, reported that National City Bank vacated the third floor of the Government Center before November 1st, which was the deadline date. He noted that he was very pleased with the efforts National City made to leave the facility in a timely manner and to clean the floor after moving out.

Chairman Bostic asked if, since the PBC owns the Government Center, will bids need to be taken to remodel the area for the City of Bloomington Engineering Department. Mr. Moody replied that it will be a project developed by the PBC's architects, Paul Young & Gene Asbury, and bids will be requested for the work that needs to be done. He reviewed some of the renovation that needs to be done.

Chairman Bostic asked if there were any further questions for Mr. Moody. Hearing none, she thanked him.

Mr. Don Lee, Director, Nursing Home, presented the Vendor List for Janitorial and Paper Bids for the Nursing Home for 2006. He advised the Committee that the cost of supplies has increased significantly as some of the supplies are petroleum-based, such as cleaning supplies, plastics, janitorial supplies, medical supplies, etc. Mr. Lee asked that the Vendor List be considered at a Stand-up Committee prior to the Board Meeting.

Chairman Bostic asked if the Committee members had any concerns or objections to considering this at a Stand-up meeting. Hearing none, Chairman Bostic agreed to consider this item at a Stand-up meeting prior to the Board Meeting.

Mr. John Zeunik, County Administrator, introduced the review of the Fiscal Year 2006 Recommended Budget for the following departments:

Facilities Management – Health Department Building – 0001-0041-0046 can be found on pages 129-130 of the Budget Book and pages 1-5 of the Summary. Mr. Zeunik reported that the operating budget is up 13.89%. He stated that this program budget is presented as a self-balancing program within the General Fund in the FY'2006 Recommended Budget. The program's anticipated revenue fully funds the projected maintenance and operating expenses of the Health Department Building at 200 West Front Street.

Mr. Zeunik noted that the primary revenue source is the utilities and maintenance reimbursement received from the Health Department and TB Care and Treatment Clinic. In accordance with the Lease Agreements with the tenants, the FY'2006 Recommended Budget reflects the scheduled increases in the rent payments due the County from the tenants.

Mr. Zeunik stated that there is no change in the FTE staffing level. He pointed out that under Office and Supplies, the Operating/Office Supplies line increased from \$250.00 in the FY'2005 Adopted Budget to \$579.00 in the FY'2006 Recommended Budget, which is a result of a change in the Chart of Accounts made by the County Auditor.

Under Contract Services, Mr. Zeunik noted that the largest increase is in the parking lot expense. He stated that this increase is based on the negotiated lease payment due to the City of Bloomington for the 176 parking spaces leased from the City of Bloomington for employee parking in the Lincoln Parking Deck and the surface parking lot immediately south of the Parking Deck.

Mr. Zeunik reported that the Lease/Purchase Improvement line item account, under Capital Outlay, includes the payment in the amount of \$35,000.00 due to the Public Building Commission (PBC) to repay the \$350,000.00 interest free loan that the PBC approved for replacing the exterior dryvit at the Health Department Building.

Motion by Selzer/Harding to recommend tentative approval of the Facilities Management – Health Department Building – 0001-0041-0046 FY'2006 Recommended Budget as submitted.

Motion carried.

Facilities Management – Law and Justice Center 0001-0041-0050 can be found on pages 135-136 of the Budget Book and pages 6-10 of the Summary. Mr. Zeunik advised the Committee that there is a proposed change from what is listed in the budget. The change is reflected on the Summary on Page 6. The FY'2006 Recommended Budget Revenue increased from \$1,822,835.00 to \$1,850,086.00 and Salaries increased from \$801,418.00 to \$825,669.00.

Mr. Zeunik reported that the Facilities Management – Law and Justice Center program budget is a self-balancing program within the General Fund. The Program's revenue fully funds the maintenance and operating expenses of the Law and Justice Center.

Mr. Zeunik stated that the primary revenue source is the reimbursement received from the PBC for the maintenance and operation of the Building. Pursuant to the Lease Agreement with the PBC, the County is responsible for the maintenance and operation of the Law and Justice Center. The County Board annually levies an amount sufficient to pay the Additional Rent to the PBC (see Fund 0162). This payment is equal to the amount to be reimbursed to the County for the maintenance and operating expenses of the Law and Justice Center.

Mr. Zeunik noted that the Morgue Fees line item account has increased from \$5,400.00 in the FY'2005 Adopted Budget to \$13,000.00 in the FY'2006 Recommended Budget. This line item accounts for the reimbursement for custodial services provided by Facilities Management personnel to the Coroner's Office for cleaning the morgue on weekends and after hours for out-of-County autopsies. Mr. Zeunik also mentioned that the Rent line item account reflects the rent paid by The Coffee Depot.

Mr. Zeunik advised the Committee that there is an error on Page 8 of the Summary under Expenditures. He stated that the Personnel change that is recommended says to delete 1.0 FTE Mailroom Clerk; however, it should say "add" a 1.0 FTE Mailroom Clerk. Where it says "reduce" Employee Medical, it should say "increase" Employee medical. Mr. Zeunik explained that this has to do with last year's addition, in the Government Center budget, of a full-time position of a Mail Room Clerk. A reimbursement arrangement was made between the County and the City, wherein the City did not pay any of the expenses for the Mail Room Clerk as that position was only utilized by the County. Since that time, it was discovered that the three Mail Room Clerks are inter-changeable in terms of job duties and responsibilities. In fact, there is no one Mail Room Clerk who is solely responsible for the Government Center. The Mail Room is located in the Law and Justice Center and all mail is processed at that facility. By moving that personnel expense back into the Law and Justice Center budget, it makes it easier to divide the Government Center expenses 50-50 between the County and the City.

Mr. Zeunik pointed out that, in terms of the other Operating lines in the Law and Justice Center budget, the big line items are the Maintenance Buildings/Grounds, and Equipment Maintenance Contracts, which have been itemized in the Summary on pages 9 and 10. The Lease/Purchase Office Equipment line item account includes funding for the principal payment on the X-ray screening devices in the Law and Justice Center Lobby. The Purchase of Kitchen/Laundry Equipment line item account includes funding for the purchase of a commercial quality laundry washer for the Adult Detention Center.

Motion by Harding/Moss to recommend tentative approval of Facilities Management, Law and Justice Center 0001-0041-0050 FY'2006 Recommended Budget as corrected to reflect that the Recommended FY'2006 Budget, Revenue, be changed from \$1,822,835.00 to \$1,850,086 and Salaries be changed from \$801,418.00 to \$825,669.00. Under Personnel Expenditures the recommended staffing level should reflect an addition (not deletion) of a 1.0 FTE Mailroom Clerk and an addition in Employee Medical (not reduction).

Motion carried.

Facilities Management – Government Center – 0001-0041-0115 can be found on pages 137-139 of the Budget Book and pages 11-15 of the Summary. Mr. Zeunik distributed a corrected Summary on the Government Center budget. He noted that a typographical error was discovered in the Summary after the packet was sent out. The change that was made was to eliminate the 1.0 FTE Mailroom Clerk position and the Employee Medical associated with that position. Mr. Zeunik also pointed out, that after reviewing the FY'2006 Recommended Budget as presented in September, there are three changes that can be made on the expense side (under Personnel and Contractual) that will reduce the overall operating budget by \$30,241.00. These reductions in expenditures will reduce the PBC Reimbursement from \$693,169.00 to \$663,128.00.

Corrections were made as follows:

- Elimination of a 1.0 FTE Mailroom Clerk position
- Eliminate the Employee Medical expense associated with the Mail Room Clerk position.
- The Pest Control Services line item (708.0001) account increased significantly. After further review, the Facilities Management staff determined that the increase is not warranted. This line item account can be reduced from \$2,500.00 to \$910.00 in the FY'2006 Recommended Budget.
- The Equipment Rental (790.0004) line item account can be reduced from \$1,350.00 to \$150.00 in the FY'2006 Recommended Budget.

Mr. Zeunik summarized that, with these two changes, and the change in the Personnel, the revised total budget is \$663,128.00. This amount is what will be split between the County and the City for the Government Center Building.

Mr. Zeunik reported that next year should be the last year there is any Property Tax associated with the Government Center Building. Property Taxes will be due and payable for property tax year 2005 payable in 2006 for National City's occupancy through October. After that, the Government Center will be a tax exempt building. Chairman Bostic asked if the PBC or the County will be responsible for obtaining the tax exempt status from the Department of Revenue. Mr. Zeunik replied that the PBC will file the necessary request.

Motion by Moss/Harding to recommend tentative approval of Facilities Management, Government Center – 0001-0041-0115 FY'2006 Recommended Budget with the following corrections: Change Revenue from \$693,169.00 to \$663,128.00; change Salaries from \$276,210.00 to \$251,959.00; change Fringe Benefits from \$30,000.00 to \$27,000.00 and change Contractual from \$323,909.00 to \$321,119.00 for a total budget of \$663,128.00.

Motion carried.

Law and Justice Center Debt Service Fund – 0161-0050 can be found on pages 244-245 of the Budget Book and pages 16-17 of the Summary. Mr. Zeunik reviewed this budget, noting that this is a Special Revenue Fund which is used to levy a property tax equal to the annual debt service payment due to the Public Building Commission (PBC) for the Certificates of Participation which were issued in 1991 to finance the additions to the Law and Justice Center. He noted that the bonds for the Law and Justice Center additions will be paid off in November, 2007. Mr. Zeunik indicated that this is a fixed amount at \$2,115,613.00.

Mr. Zeunik stated that when this debt service payment is retired, additional renovation at the Old Courthouse can be considered. Mr. Selzer suggested that renovations to the Old Courthouse should be reviewed in the near future to discuss ways the Historical Museum can promote public awareness and contributions.

Motion by Selzer/Ahart to recommend tentative approval of Law and Justice Center Debt Service Fund – 0161-0050 FY'2006 Recommended Budget as submitted.

Motion carried.

Government Center Debt Service Fund – 0161-0115 can be found on pages 246-247 of the Budget Book and pages 16-17 of the Summary. Mr. Zeunik reported that this is the Special Revenue Fund which is used to levy a property tax equal to the annual debt service payment due to the Public Building Commission for the General Obligation Bonds which were issued in 2002 to finance the purchase and remodeling of the Government Center Building

Mr. Zeunik explained that, pursuant to the Ordinance approved by the County Board, the County Board annually levies an amount sufficient to pay the annual debt service due to the Public Building Commission. The line-item account Public Building Commission Reimbursement (768.0001) is budgeted at \$537,088.00 in the FY-2006 Recommended Budget. This represents a 31.8% increase over the FY'2005 Adopted Budget amount of \$407,593.00.

Mr. Zeunik stated that a correction is included on the Summary. The Government Debt Service amount in the FY'2006 Recommended Budget should be amended to **\$526,027.00**. He explained that this amendment reflects a corrected allocation of expenses between the Government Center renovation project and the additions to the Abraham Lincoln Parking Deck. This amendment also reflects the additional reimbursement due from the County to the City for the past two years of underpayment on the Government Center project because of the misallocation of final expenses between the two projects. Beginning in FY'2007, the County's share of the debt services on the Government Center will be \$429,176.00. In FY'2007, the County will levy \$437,935.00 for the Government Center debt service in order to meet the required lease payment.

Motion by Selzer/Ahart to recommend tentative approval of Government Center Debt Service Fund – 0161-0115 FY'2006 Recommended Budget with the following correction: The Government Debt Service amount should be amended to \$526,027.00.

Motion carried.

The following three accounts will be acted upon together:

Old Courthouse Additional Rent Fund – 0162-0049 can be found on pages 248-249 of the Budget Book and pages 20-21 of the Summary. Mr. Zeunik reported that this program budget is a self-balancing program of the Old County Courthouse. The Old County Courthouse Rent, Fund 0162, is the Special Revenue Fund which funds the maintenance and operating expenses of the Old County Courthouse.

Mr. Zeunik stated that, pursuant to the Lease Agreement with the Public Building Commission, the County is responsible for the maintenance and operation of the Old County Courthouse. The County Board annually levies an amount sufficient to pay the Additional Rent to the Public Building Commission (Fund 0162). This payment is equal to the amount to be reimbursed to the County for the maintenance and operating expenses of the Old County Courthouse. The line-item account Public Building Commission Reimbursement (768.0001) is budgeted at \$182,553.00 in the FY'2006 Recommended Budget. This represents a 2.24% increase over the FY'2005 Adopted Budget amount of \$178,546.00.

Law and Justice Center Additional Rent Fund – 0162-0050 can be found on pages 250-251 of the Budget Book and pages 22-23 of the Summary. Mr. Zeunik reported that this program budget is a self-balancing program within the General Fund. This program's revenue fully funds the maintenance and operation expenses of the Law and Justice Center. The Law and Justice Center Building Rent, Fund 0162, is the Special Revenue Fund which funds the maintenance and operating expenses of the Law and Justice Center.

Mr. Zeunik stated that, pursuant to the Lease Agreement with the Public Building Commission, the County is responsible for the maintenance and operation of the Law and Justice Center. The County Board annually levies an amount sufficient to pay the Additional Rent to the Public Building Commission (Fund 0162). This payment is equal to the amount to be reimbursed to the County for the maintenance and operating expenses of the Law and Justice Center. The line-item account Public Building Commission Reimbursement (768.0001) is budgeted at \$1,806,835.00 in the FY'2006 Recommended Budget.

Mr. Zeunik advised the Committee that, because of the adjustment made in the Personnel and Fringe Benefit expenses, the Public Building Reimbursement amount should be amended to **\$1,834,086.00**. This represents a 2.00% decrease over the FY'2005 Adopted Budget amount of \$1,871,434.00.

Government Center Additional Rent Fund – 0162-0115 can be found on pages 252-253 of the Budget Book and pages 24-25 of the Summary. Mr. Zeunik reported that this program budget is a self-balancing program within the General Fund. This program's revenue fully funds the maintenance and operation expenses of the Government Center. The Government Center Building Rent, Fund 0162, is the Special Revenue Fund which funds the maintenance and operating expenses of the Government Center.

Mr. Zeunik stated that, pursuant to the Lease Agreement with the Public Building Commission, the County is responsible for the maintenance and operation of the Government Center. The County Board annually levies an amount sufficient to pay the Additional Rent to the Public Building Commission (Fund 0162). This payment is equal to the amount to be reimbursed to the County for the maintenance and operating expenses of the Government Center. The line-item account Public Building Commission Reimbursement (768.0001) is budgeted at \$346,585.00 in the FY'2006 Recommended Budget.

Mr. Zeunik advised the Committee that, because of the adjustment made in the Personnel and Fringe Benefit expenses, the Public Building Reimbursement amount should be amended to **\$331,464.00**. This represents a 6.31% increase over the FY'2005 Adopted Budget amount of \$311,800.00.

Motion by Selzer/Moss to recommend tentative approval of Old Courthouse Additional Rent Fund – 0162-0049 FY'2006 Recommended Budget as submitted. To recommend tentative approval of the Law and Justice Center Additional Rent Fund – 0162-0050 FY'2006 Recommended Budget with the following correction: The Public Building Commission Reimbursement amount should be amended to \$1,834,086.00. To recommend tentative approval of Government Center Additional Rent Fund – 0162-0115 FY'2006 Recommended Budget with the following correction: The Public Building Commission Reimbursement amount should be amended to \$331,464.00.

Motion carried.

Facilities Management – Fairview Building Capital Lease Fund – 0360-0041 can be found on pages 256-258 of the Budget Book and pages 26-27 of the Summary. Mr. Zeunik reviewed this budget, noting that this is a self-balancing Special Revenue Capital Lease Fund. The Building's three tenants (the Regional Office of Education, the GED Program, and the YWCA Senior Citizens' Service Center) share the total maintenance and operating expenses based on the Lease Agreement approved by the County Board. Mr. Zeunik noted that a portion of the lease payment is set aside in a capital replacement fund for future capital expenditures at the Fairview Building.

Motion by Moss/Ahart to recommend tentative approval of the Facilities Management – Fairview Building Capital Lease Fund – 0360-0041 FY'2006 Recommended Budget as submitted.

Motion carried.

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Chairman Bostic presented the October 31, 2005 Property Committee bills, which have been reviewed and recommended for transmittal to the Property Committee by the County Auditor. The Property Committee Fund total is \$2,446,744.19 and the prepaid total is the same.

Motion by Ahart/Dean to recommend approval of the bills as of October 31, 2005, which have been reviewed and recommend for transmittal by the County Auditor.
Motion carried.

Chairman Bostic asked if there was any other Business or Communication for the Property Committee. Hearing none, Chairman Bostic adjourned the meeting at 3:50 p.m.

Respectfully Submitted,

Judith A. LaCasse
Recording Secretary