

Minutes of the Finance Committee Meeting

The Finance Committee of the McLean County Board met on Tuesday, October 3, 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, Renner

Members Absent: None

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. Craig Nelson, Acting Director, Information Services; Mr. Mike Gallagher, Program Manager, Information Services; Ms. Ruth Weber, County Recorder; Ms. Janet Smith, Assistant Treasurer; Chief Derrick Love, McLean County Sheriff's Department; Mr. Sammy Ferrara, Director, Veteran's Assistance Office; Mr. Bob Keller, Director, Health Department; Mr. Walt Howe, Assistant Administrator, Health 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 September 5, 2000 as presented. Motion carried.

Ms. Ruth Weber, County Recorder, presented a request for approval of the Laredo/Tapestry Software License Agreement for the Remote Access Program. Ms. Weber introduced Mr. Ken Gibson, **Fidlar/** Doubleday Co. Ms. Weber stated that the Committee had directed her to work with Fidlar and the County's Civil Assistant State's Attorney to develop a contract for the Remote Access program. Mr. Eric Ruud, Chief Civil State's Attorney has reviewed the contract and approved the contract as to form.

Chairman Stevens asked Mr. Mike Gallagher, Program Manager, Information Services, to inform the Committee of the implementation phase. Mr. Gallagher explained that the Laredo customer would log on to the **Fidlar/Doubleday website**. The customer would be verified based on their user ID and password. The Laredo application is than run between the customer and the Laredo web server. The Laredo server communicates with McLean County's middleware server. The middleware server performs the query though the County's **firewall** to the application server.

Mr. Sweeney asked if the customer would be able to print out the queried information.

Mr. Gallagher replied that the customer would be able to print out this information. The customer will pay a flat fee for the service. Mr. Sweeney asked if the fee is \$250.00 per quarter. Mr. Gibson replied that \$250.00 per quarter per user is the cost to the County.

Mr. Sorensen asked what services and equipment is being bought from **Fidlar/Doubleday**.

Mr. Gallagher replied that the County is purchasing the license for the software.

Mr. Sorensen asked what is the response time for a query. Mr. Gibson stated that a typical response time in 8 seconds, however, the actual time will depend on the query and the equipment used by the person making the query. The Remote Access Program will be tested by the two title Companies in McLean County that frequently do business in the Recorder's Office. This will enable the County to find out performance issues before it is available to everyone.

Motion by Sweeney/Peterson to recommend approval of the contract agreement with **Fidlar/Doubleday** for the Laredo/Tapestry Software License Agreement for the Remote Access Program for the Recorder's Office. Motion carried.

Ms. Smith, Assistant Treasurer, presented the County Treasurer's Report as of September **30, 2000**; the County Treasurer's Investment Report as of September **30, 2000**, and the County Treasurer's Employee Benefit Fund as of September **30, 2000**.

Mr. Sorensen noted that the Employee Benefits Fund is experiencing a low point.

Ms. Smith stated that during the summer months the claims experience was as high as it was for the rest of the year combined. Mr. Sorensen stated that the Committee may need to look for other funding sources for benefits such as the Employee Health Fair.

Motion by **Sorensen/Renner** to accept and place on file the County Treasurer's Report as of September **30, 2000**, the County Treasurer's Investment Report as of September **30, 2000**, and the County Treasurer's Employee Benefit Fund as of September **30, 2000**. Motion carried.

Ms. Smith presented the Treasurer's Office response to the Clifton Gunderson, L.C.C. Management Letter. Ms. Smith stated that the Office has installed a buzzer on the gate to restrict public access to the office, which will be sufficient enough to secure the vault.

Chairman Stevens noted that in the response to the Property Tax Cycle, the response reads that funds will be distributed accordingly. He asked if there are funds being held. Ms. Smith replied that there are duplicate payments and overpayments, which are waiting proof of which individual made the payment.

Mr. Sorensen noted that item one, two and four are items that were addressed earlier in the year when the new processes and procedures were put into place.

Ms. Jennifer Ho, Risk Manager, presented a request for approval of the Public Official Bonds for the Elected Officials who will be sworn in on December 31, 2000.

Motion by **Sweeney/Renner** to recommend approval of a request for the Public Officials Bonds for the Elected Officials who will be sworn in on December 31, 2000.

Mr. Sorensen voted present.

Mr. Peterson voted present.

The Chairman announced that he will vote on this matter.

Motion carried.

Mr. Bob Keller, Director, Health Department, presented a response to the Clifton Gunderson L.C.C. Management Letter regarding the segregation of duties for vaccines. The vaccine process had originally been segregated. However, after staff turnover and a promotion, the same employee remained doing the duties that she had been doing regarding the vaccines and when promoted began performing the duties for the new position, ending the segregation of duties. However, in order to correct the problem with the segregation of duties, the staffing pattern has been reviewed to have four different staff members involved in the process. One Clinic RN is responsible for the ending inventory and the order for the next month. The RN's Supervisor verifies the order. Another RN receives the shipment and verifies that the order is correct. The clerical staff then prepares the shipment for refrigeration and batching. Chairman Stevens asked if the segregation is burdensome to the staff. Mr. Keller indicated that it is not burdensome because the duties are spread out among the staff.

Motion by Sweeney/ Renner to accept and place on file the Health Department response to Clifton Gunderson L.C.C. Management Letter. Motion carried.

Ms. Sandra Parker, Circuit Clerk, presented the Circuit Clerk's response to Clifton Gunderson L.C.C. Management letter regarding vault accessibility. The concern is the same as was addressed last year. This vault needs to be open to allow for accessibility for the accounting staff. The vault is in an alcove. There is someone in the vault at all times. Mr. Sorensen stated that vault accessibility should not be included as an issue in the Management Letter for the Circuit Clerk's Office next year.

Motion by Peterson/Sweeney to accept and place on file the Circuit Clerk's response to the Clifton Gunderson L.C.C. Management Letter regarding Vault Accessibility. Motion carried.

Ms. Parker stated that she is upset with Clifton **Gunderson L.C.C independent audit** for the Circuit Clerk's Office. The audit was just received. However it was due to be filed with the State Comptroller's Office in July. The audit report stated that the Circuit Clerk's Office had over **\$1, 300, 000.00** of uncollateralized and unsecured funds. This is not the case. Clifton Gunderson asked if the Circuit Clerk's Office has funds separate from the Treasurer's Office. The funds are separate. Clifton Gunderson replied that National City Bank either didn't respond to the Clifton Gunderson request or provided erroneous information. Ms. Parker stated that she asked Clifton Gunderson to find out if there was no response or if the information was in error. Ms. Parker advised the Committee that she faxed the collateral pledges to Clifton Gunderson while waiting for their reply. In actuality, Clifton Gunderson had been vague in their communication with National City. The only collateral that National City reported to Clifton Gunderson was the collateral pledged against the Treasurer's Office. A separate request was not made to the Bank for the Circuit Clerk's independent audit. Clifton Gunderson will replace the audit report with the correct information. However, if the report had not been reviewed, it would have been sent to the State Comptroller, Chief Judge, and the Administrative Office of the Illinois Courts. Clifton Gunderson will not be asked to do the independent audit next year. However, there is one year left on the contract with Clifton Gunderson for the County Audit. Mr. Sorensen stated that he was also concerned with the deadline being missed. Ms. Parker stated that in September, at the Circuit Clerk's meeting, she learned that only 64 of the 102 audit reports for Circuit Clerk's Offices had been received. Twelve of the Clerk's were using Clifton Gunderson. Only one of the twelve Clerks had their audit completed. Ms. Parker received a letter after the meeting asking for compliance. At this point, Clifton Gunderson called the Comptroller and indicated that the audit would be completed by the end of September.

Ms. Parker stated that Clifton Gunderson had made Ms. Parker aware of some minor issues, but never indicated that there was a major problem.

Mr. Sorensen asked if the deadline was included in the contract with Clifton Gunderson. Ms. Parker replied that Clifton Gunderson was given the audit standards, which included the deadline.

Chairman Stevens asked if Clifton Gunderson has billed the County for the Circuit Clerk's Audit. Mr. John Zeunik, County Administrator, replied that the bill for the Circuit Clerk's independent audit had not yet been received. Mr. Peterson suggested that Clifton Gunderson should not receive the full fee. Mr. Sweeney stated that the State's Attorney should review the contract first.

Ms. Parker stated that the County had a good working relationship with **Guthoff** and Company. **Guthoff** was a local firm and their professional staff was more accessible and worked with the departments on any issues/problems found during the audit.

Mr. Zeunik presented the Fiscal Year 2001 Recommended Budget for the Recorder's Office. There is a slight decrease in the revenue for the General Fund. There is a 10% increase in the salary expense, which was driven by the PAS Salary Study increased. There is a 17% increase in the Employee Fringe Benefits to allow for the increase in employee's health insurance costs. The Recorder's Office Total Recommended Budget for the General Fund shows an 8% increase.

Motion by **Sweeney/Renner** to recommend tentative approval of the 2001 Fiscal Year Recommended Budget for the Recorder's Office. Motion carried.

Mr. Sorensen stated that the revenue line item in the Recorder's Document Storage Fund for Document Storage Fees shows an increase of \$6500.00 above the recommendation made by Ms. Weber. He asked what caused the difference in the revenue. Mr. Lindberg replied that the initial budget submission had **\$125,000.00** in estimated revenue and **\$130500.00** in estimated expenses. The **\$130500.00** includes **\$14,500.00** from the Budget Balance Account. Subsequent to the initial budget submission, Ms. Weber indicated that the Office needed **\$6,500.00** that was not submitted for software maintenance. This increase was added to line item 833.0004. The Budget Balance account was reduced by **\$10,500.00**. The difference is **\$4,000.00**. In order to balance the revenue and expenditures, the revenue was increased.

Mr. Sorensen stated that he did not want to arbitrarily increase the revenue to balance the budget. Mr. Zeunik stated that this is a Special Revenue Fund. It can only be used for document storage activities in the Recorder's Office. In 1999, there was **\$125,000.00** of expenses budgeted and only **\$72,140.00** of actual expense. The document storage fee generated **\$126,357.00**. For the current year, the document storage fee has generated **\$66,300.00** through August 31, 2000. This is a separate fund with a sizable fund balance, which can offset the expenses.

Mr. Sorensen stated that he is concerned that if the revenue is increased, when the fund will not generate the amount proposed in the Fiscal Year 2001 Budget. Mr. Lindberg suggested reducing the estimate in revenue and adding the difference to the unappropriated fund balance to the line item. Mr. Lindberg stated that the Document Storage fee revenue could be reduced to **\$10,000.00**. The Committee suggested the revenue be reduced to **\$100,000.00**.

Mr. Peterson asked how many title companies would use the Remote Access Program. Ms. Weber stated that the two title companies would use it along with banks, Real Estate

Agents and attorneys. Mr. Sorensen asked if revenue would decrease due to the program. Ms. Weber stated that she did not believe that this program would affect revenue.

Motion by Sorensen/ Sweeney to recommend tentative approval of the Fiscal Year 2001 Recommended Budget for the Recorder's Document Storage Fund with the following amendment that the revenue from Document Storage Fees be reduced to **\$100,000.00** and that the unappropriated fund balance be increased to **\$26,500.00**. Motion carried.

Mr. Zeunik presented the Fiscal Year 2001 Recommended Budget for the Auditor's Office. There is a 14% increase in the Salary expense line item. There is a 17% increase in the Employee Fringe Benefits line item. The increases in the 600 line items are nominal as well as in the Contractual line items. The purchase of computers request was transferred to the Information Services Department.

Motion by Renner/Sweeney to tentatively recommend tentative approval of the Fiscal Year 2001 Recommended Budget for the Auditor's Office. Motion carried.

Mr. Zeunik presented the Fiscal Year 2001 Recommended Budget for the Veteran's Assistance Office. The total recommended budget is increased by 5%. The Veteran's Assistance Commission derives 100% of its revenue from the property tax levy. The Salary expenses and Social Security costs are increased 11%. The employee fringes benefits are increased 17%. The IMRF contribution is decreased due to the reduction in the County's IMRF rate. There is a 21% increase in Materials and Supplies. Contractual line items are up nominally.

Motion by **Sweeney/Renner** to recommend tentative approval of the Fiscal Year 2001 Recommended Budget for the Veteran's Assistance Office. Motion carried.

Mr. Lindberg presented an update on the County Employee's Health Benefits Providers. Four organizations presented self-funded plans and three organizations presented fully funded plans. Based on the information received to date, the fully insured plans are within the dollars budgeted in FY' 2001. Only one of the self-funded plans is affordable. The approximate increases in the rates vary from 16% to 21%. The fully funded plans are richer than the fully funded plans that the County currently offers. One is a point of service plan and the other is a preferred provider option. Each involves local hospitals and many local doctors. The self funded plans involves local providers. More information will be forthcoming. The Employee Benefits Committee will meet before October 10, 2000 so that the information can be presented to the Finance Committee during the Special Finance Committee meeting immediately after the Executive Committee. The recommendation will be for one provider. All the plans asked for a guarantee of 75% to 80% participation rate from the County.

Motion by Sorensen/Peterson to go into Executive Session to discuss Personnel Matters. The following individuals are asked to remain in the Executive Session: Mr. **Derick** Love, Chief Deputy Sheriff, Mr. John Zeunik, Mr. Terry Lindberg, and Ms. Lucretia Wood. Motion carried.

The Committee went into Executive Session at 7: 10 p.m.

The Committee returned to Open Session at **7:55** p.m.

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

Motion by Peterson/Sweeney to recommend payment of the bills as presented by the County Auditor. Motion carried.

There being nothing further to come before the Committee at this time, Chairman Stevens adjourned the meeting at **7:21** p.m.

Respectfully submitted,

Lucretia A. Wood
Recording Secretary