

Minutes of the Finance Committee

The Finance Committee of the McLean County Board met on Tuesday, August 1, 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, and Owens

Members Absent: Members Moss and Selzer

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

Department Heads/
Elected Officials
Present:

Mr. Robert Keller, Health Department Administrator; Mr. Don Lee, Director, Nursing Home; Ms. Jackie Dozier, County Auditor; Mr. Lee Newcom, County Recorder; Ms. Becky McNeil, County Treasurer

Others Present: Ms Jan Morris, Health Promotion Program Manager, Health Department; Ms. Karen Bojda, Intern, Auditor's Office

Chairman Sorensen called the meeting to order at 4:03 p.m.

Chairman Sorensen presented the minutes from the July 5, 2006 Finance Committee Meeting and the June 20, 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. Berglund distributed information from NACo regarding a program NACo promotes on indoor air quality.

Mr. Robert Keller, Health Department Administrator, presented a report on the "Analysis of the Surgeon General's Report – *The Health Consequences of Involuntary Exposure to Tobacco Smoke*." He noted that the report concludes that the only way to protect non-smokers from involuntary exposure to dangerous chemicals contained in secondhand smoke is to eliminate smoking indoors. Mr. Keller indicated that the complete Surgeon General's Report can be found at the CDC Website, which is www.cdc.gov//tobacco. The report is approximately 122 pages.

Mr. Keller pointed out that *The Health Consequences of Involuntary Exposure to Tobacco Smoke: A Report of the Surgeon General* was written by 22 national experts who were selected as primary authors. The report chapters were reviewed by 40 peer reviewers and the entire report was reviewed by 30 independent scientists and by lead scientists within the Centers for Disease Control and Prevention and the Department of Health and Human Services.

Mr. Keller reviewed the six major conclusions of *The Health Consequences of Involuntary Exposure to Tobacco Smoke*, as follows:

1. Millions of Americans are still exposed to secondhand smoke in their homes and workplaces despite substantial progress in tobacco control. This was determined by looking at the chemical level of cotinine, a biomarker of secondhand tobacco smoke exposure. Approximately 30% of indoor workers in the U.S. are not covered by smoke-free workplace policies.
2. Secondhand smoke exposure causes disease and premature death in children and adults who do not smoke. Second-hand smoke can cause coronary artery disease and lung cancer. The report, however, was not able to establish any *de minimis* exposure level in terms of what would cause a person to experience coronary artery disease or cancer.
3. Children exposed to secondhand smoke are at increased risk for sudden infant death syndrome, acute respiratory infection, ear problems and more severe asthma.
4. Exposure of adults to secondhand smoke has immediate adverse effects on the cardiovascular system and causes coronary heart disease and lung cancer.
5. Scientific evidence indicates that there is no risk-free level of exposure to secondhand smoke.
6. Eliminating smoking in indoor spaces fully protects nonsmokers from exposure to secondhand smoke. Separating smokers from nonsmokers, cleaning the air and ventilating buildings cannot eliminate exposure of nonsmokers to secondhand smoke. It would take two separate buildings with separate heating and ventilation systems to be able to eliminate exposure to secondhand smoke.

Mr. Keller reiterated that there is no scientifically established *de minimis* level that people can be exposed to smoke without there being any health consequences.

Mr. Keller recommended that the Committee members go to the website for further information. He concluded that the overwhelming preponderance of scientific evidence indicates that exposure to secondhand smoke is a health hazard.

Mr. Owens indicated that he thought there was a re-circulating ventilation system that would eliminate the smoke, but it would be too expensive for most establishments. Mr. Keller replied that the systems cannot eliminate the microscopic particles of smoke unless there were two separate buildings with separate entrances.

Ms. Berglund asked for clarification of the section of the report that states "nonsmokers exposed to secondhand smoke at home or at work increase their risk of developing heart disease by 25-30%." Mr. Keller replied that this was determined by the studies done with the nonsmoking spouses of spouses who smoked. Ms. Berglund asked if the residual smoke on clothes brought in by smokers was a health threat. Mr. Keller replied that there is no evidence that residual particles on clothes or hair is a hazard.

Ms. Berglund asked if there is reference in the Ordinance to what distance a smoker must stand from a doorway to smoke. Mr. Keller stated that Bloomington and Normal's Ordinance states they must be fifteen feet away from a doorway, which is a standard distance. Mr. Owens asked how this would affect beer gardens. Mr. Keller replied that the distance of the beer gardens will likely need to be refigured.

Mr. Owens suggested that bar owners may decide to add beer gardens just to accommodate their smoking patrons and asked how the County will deal with that possibility. Mr. Zeunik replied that Mr. Ruud advised the Committee that if the County Board were to enact this Ordinance, the Board would have to amend the Liquor Control Ordinance and the County Personnel Ordinance as it relates to smoking. Currently, the Ordinance does not have any language in it that pertains to fifteen feet from a public entrance. Mr. Zeunik noted that Mr. Ruud did not find any basis in State law that gives the County authority to control smoking outside of a building.

Mr. Owens asked if a business is required to have a special license for a beer garden and what is the cost. He indicated that he could see this as potential revenue for the County. Mr. Zeunik stated he would need to check on that fee.

Chairman Sorensen added that the County is currently licensing golf courses to have beer gardens.

Chairman Sorensen asked for clarification on some of the terms used in the reports, such as “the evidence is sufficient to infer a causal relationship” or “the evidence is suggestive but not sufficient to infer a causal relationship” or “the evidence is inadequate to infer the presence or absence of a causal relationship.” Mr. Keller replied that “causal relationship” indicates that there is a statistically significant correlation that 90%-95% of the cases will get the same results in a scientific study. Because it is not 100% and, using strict scientific methodology, you cannot establish anything concrete so words such as “inferred” and “suggest” are used. The report indicates that, in many cases, there are causal relationships established or a significant number of causal relationships inferred and that the preponderance of evidence comes to the same conclusions.

Chairman Sorensen asked what is a causal relationship. Mr. Keller replied that a causal relationship means a statistically significantly correlation, which means that the results of the study are not attributable to random events.

Chairman Sorensen stated that he had hoped the Surgeon General’s Report would have been more definitive in terms of determining how many people will actually acquire a smoke-related disease, such as three persons out of every 1,000. Mr. Keller indicated that you could argue that, statistically, a non-smoker exposed for a lengthy period of time has a 30% greater chance of contracting lung cancer. He stated that the evidence is so strong that it is very difficult for someone intellectually to deny the facts.

Chairman Sorensen asked what is the baseline for the 30% more chance of someone becoming ill. He asked that it be made clear that 30% more chance does not mean that 30% of the people exposed will become ill. Mr. Keller concurred, noting that 30% refers to the fact that everyone’s probability is increased by 30%, not that 30% of the people will become ill. He indicated the chances are based on an individual’s metabolism, immune system and other variables.

Chairman Sorensen stated that he wants the Board members to understand what some of the terminology means.

Ms. Berglund expressed her appreciation to Mr. Keller for preparing and reviewing his summary of the Surgeon General’s Report.

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Mr. Keller predicted that eventually the State of Illinois will have a state-wide ban on indoor smoking.

Chairman Sorensen asked if there were any additional 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 June was a positive month. He stated that the air-conditioning has been running non-stop. The current census is 142 residents.

Chairman Sorensen asked if the Nursing Home had any heat related admissions. Mr. Lee replied that there were no heat related admissions.

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

Ms. Jackie Dozier, County Auditor, introduced Ms. Karen Bojda, summer intern, who is working on the grant problem and the grant tracking system for the County. Ms. Bojda presented an update, noting that she is working on the grant tracking project. She indicated that she has set up a database using Microsoft Access and is currently inputting grant information into the database. Ms. Bojda said that she anticipates some problems because the Access Program does not directly interface with the accounting software.

Ms. Dozier distributed a copy of an internal Report and the CAFR Report. On each of five different financial reports with some minor exceptions, the County has matched the CAFR in all of the general fund balance sheet fund accounting. She indicated that the County has matched the Nursing Home and the Trust Funds. Ms. Dozier reported that the Agency Account does not match due to errors of omission by Clifton Gunderson.

Chairman Sorensen asked if there were any questions or comments for Ms. Dozier. There were none.

Chairman Sorensen presented the second quarter Risk Management Report as submitted by Ms. Jennifer Ho, Risk Manager.

Chairman Sorensen asked if there were any questions or comments on the report. There were none.

Mr. Lee Newcom, County Recorder, distributed and presented the Monthly Financial Reports for June, 2006, noting that everything balances.

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

Ms. Becky McNeil, County Treasurer, presented the County Treasurer's Monthly Financial Reports for the period ending July 31, 2006.

Ms. McNeil reviewed the Summary of Retailers Occupation Tax, State Income Tax and Personal Property Replacement Tax Revenue Report for the month ending July 31, 2006. She indicated that the County is doing very well this year. She pointed out the following statistics:

- Retailers Occupation Tax Revenue Year to Date is \$3,396,150.14, which is 8.66% over last year and 63.12% of budget (58% through the year),
- State Income Tax Revenue is \$1,086,510.03, which is 9.68% over last year and 81.95% of budget.
- Personal Property Replacement Tax Revenue is \$1,061,596.13, which is at 15.38% over last year and 86.36% of budget.
- The figures did not change on the General Fund Property Tax Revenue as there was no distribution in the month of July. Those numbers will change as money is collected in the month of August.

Ms. McNeil reviewed the Statement of Revenues, Expenditures and Fund Balance for July 31, 2006. Ms. McNeil reported that the total Revenue as of July 31 is \$15,379,527.42, which is 53.89% of budget; Expenditures are \$16,708,298.38, which is 58.54% of budget; and the Fund Balance as of July 31, 2006 is \$7,376,934.28 as compared to \$4,982,839.80 in 2005.

Ms. McNeil pointed out that the Building and Zoning funds were slightly down, while everything else was up significantly. She noted that Inheritance tax has about \$52,000.00 as of this date that was not there last year. Ms. McNeil indicated that Interest on Investments is very high because of the current interest rates. She stated that the interest on investments from some departments, such as County Clerk and Circuit Clerk, is currently over budget.

Chairman Sorensen advised that the Building and Zoning Department has received \$254,460.00 in permit fees for the Windmill project. He stated that these fees were not reflected in the report because those dollars go into an internal escrow account and, as the permits are processed and issued, the funds are taken out of escrow and would then be reflected as revenue.

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Ms. McNeil reported that the Parks and Recreation Department is already at 100% of budget in two categories, namely the Special Activity Revenue and Boat Registration.

Ms. McNeil presented the Treasurer's General Pooled Investment Account. She indicated that the Pooled Fund Investments total is \$17,076,578.30. Ms. McNeil reported that the Money Markets barely moved this month. The Court Restitution Account was \$139,872.54 and the County Motor Fuel Fund Account was \$1,256,350.79. Ms. McNeil stated that the Main Street Bank CD matured and she was able to have it renewed at a higher rate than what was quoted to her because the bank agreed to match another institution. The total balance of all funds is \$29,207,754.74.

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

Motion by Owens/Nuckolls to accept and place on file the month-end financial reports from the County Treasurer's Office for the month ending July 31, 2006, as submitted.
Motion carried.

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

Chairman Sorensen advised that the Executive Session has been pulled from the Agenda. Mr. Lindberg explained that the Executive Session was for the purpose of discussing a collective bargaining matter. Earlier, one of the bargaining units voted down an offer and the bargaining unit was scheduled to take another vote, but the vote was delayed due to the absence of some key members. The vote has been rescheduled for next week. Mr. Lindberg reported that when the results of the vote are available, he will ask for an Executive Session to present an update.

Chairman Sorensen recommended that Sheriff Owens be invited to the next Finance Committee Meeting to discuss enforcement issues associated with the Smoking Ordinance. He also asked that Mr. Eric Ruud, First Assistant State's Attorney attend the meeting to address the issue of the fifteen-foot rule and why it is not in the proposed County Ordinance. The Committee concurred.

Ms. Berglund recommended that the informational meetings be scheduled and the reports be completed soon so that the Ordinance can be acted upon in a timely manner. Chairman Sorensen stated that he felt it was important to deal with the Smoking Ordinance issue with a great deal of thought and a thorough understanding of the issue.

Chairman Sorensen asked that the Administrator's Office identify a couple of dates for Public Hearings.

Ms. Berglund suggested that the informative presentations be given at the full Board meeting so that all of the Board members are aware of the issues. Chairman Sorensen responded that interested Board members are welcome to come to the Finance Committee meeting, but he does not believe it should be a debate topic at the full Board Meeting while it is still in the information-gathering stage. He asked that members of the Committee who have already made a decision on the Ordinance be patient with those who have not. He assured the Committee that the Ordinance will be voted on before January 1st and, should it be approved, will go into affect at the same time as Bloomington and Normal.

Chairman Sorensen stated that the County owes the people who will be affected by this Ordinance the same due process that was afforded people in Bloomington and Normal.

Ms. Berglund indicated that the County should take advantage of the research done and the conclusions reached by the City of Bloomington and the Town of Normal rather than going through the entire process again. Mr. Zeunik stated that the Administrator's Office began tracking this Bill when it was first introduced in the Legislature. When it was enacted, the Administrator's Office and Mr. Ruud had conversations with Corporate Counsel staff in the City of Bloomington, with representatives of the Town of Normal and with the City management staff of Bloomington and Normal. Mr. Zeunik indicated that the difference is that Bloomington and Normal are home rule communities and the County is not, so there are certain things they can do that the County cannot. The County is limited by what is in the Legislation which the Governor signed. Mr. Zeunik advised that the County is following a similar process as the City Councils.

Mr. Zeunik reported that the County has been able to identify and provided to this Committee a list of all of the places of employment as well as liquor and food licenses in the County. He noted that when it is appropriate to hold a Public Hearing, the County can publish notice through the media and also provide notice to all of the affected parties.

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Chairman Sorensen presented the July 31, 2006 Finance Committee bills for review and approval as transmitted by the County Auditor. The Finance Committee bills include a fund total of \$443,719.17. The Nursing Home Fund total is \$463,103.52.

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Motion by Berglund/Owens to recommend approval of
the Finance Committee bills as of July 31, 2006.
Motion carried.

There being nothing further to come before the Committee at this time,
Chairman Sorensen adjourned the meeting at 5:13 p.m.

Respectfully Submitted,

Judith A. LaCasse
Recording Secretary

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