

Minutes of the Finance Committee

The Finance Committee of the McLean County Board met on Tuesday, September 6, 2005 at 4:00 p.m. in Room 400 of the Government Center, 115 East Washington Street, Bloomington, IL.

Members Present: Chairman Sorensen, Members Moss, Nuckolls, Berglund, Owens and Selzer

Members Absent: None

Other Board Members Present: Chairman Mike Sweeney

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. Lee Newcom, County Recorder; Ms. Peggy Ann Milton, County Clerk; Ms. Jackie Dozier, County Auditor; Mr. Craig Nelson, Director, Information Services; Mr. Don Lee, Director, Nursing Home

Others Present: Mr. Mark Kazzaz, Illinois State University Intern, County Auditor's Office

Chairman Sorensen called the meeting to order at 4:01 p.m.

Chairman Sorensen presented the minutes from the August 5, 2005 Finance Committee Meeting for approval. Hearing no corrections to those minutes, Chairman Sorensen advised that the minutes would stand approved as presented.

Mr. Lee Newcom, County Recorder, presented three items for action. The first item is a request for approval of an Emergency Appropriation Ordinance from the Recorder's Document Storage Fund to purchase a Dell Server (Dell item Number 221-7522) at a cost of \$12,390.00.

Mr. Newcom stated that, upon the recommendation of Information Services and due to the deterioration of the current server, it was necessary to purchase a Dell Server. Mr. Craig Nelson, Director, Information Services, concurred that the computer was quickly deteriorating and repeated efforts to repair the system failed.

Mr. Owens asked why this item did not go out for bid. Mr. Nelson replied that, pursuant to State law, the purchase of equipment under \$20,000.00 did not need to go out for bid. He indicated that he usually requests quotes, but because of the emergency need to replace this server, he made the purchase.

Motion by Berglund/Owens to recommend Approval of an Emergency Appropriation Ordinance Amending the McLean County Fiscal Year 2005 Combined annual Appropriation and Budget Ordinance – County Recorder’s Document Storage Fund 0137 for purchase of a Dell Server in the amount of \$12,390.00 – County Recorder’s Office.

Mr. Selzer pointed out that the order date on the system was July 26th and asked why this request was not presented at the August Committee meeting, or at a stand-up meeting. Mr. Newcom replied that the order went in after the August agenda was set and, further, he proceeded with the purchase on the recommendation of Information Services. Mr. Selzer expressed his opinion that future emergencies should be handled at a stand-up Committee meeting.

Motion carried.

Mr. Newcom presented a request for approval of an Emergency Appropriation Ordinance from the Recorder’s Document Storage Fund 0137 to Line 0516-0001, to hire a 1.0 FTE Temporary/Seasonal position for the period of October 1 to December 31, 2005.

Motion by Selzer/Berglund to recommend Approval of an Emergency Appropriation Ordinance Amending the McLean County Fiscal Year 2005 Combined Annual Appropriation and Budget Ordinance – County Recorder’s Document Storage Fund 0137 to hire a 1.0 FTE Temporary/Seasonal Position for the Period of October 1 to December 31 – County Recorder’s Office 0006.

Mr. Newcom reported that the scope of this project is to correct incomplete, corrupt or improperly entered records. Correcting these records is in the best interest of the Recorder’s Office. He stated that, as the steward of these records, it is the Recorder’s responsibility to provide accurate information.

Mr. Selzer asked why representatives from Cott Systems, the software company used by the Recorder's Office, cannot correct the problems by means of a consulting contract, or why a temporary agency was not hired. Mr. Newcom replied that, due to the software issue, the only vendor that can accomplish the work is Cott Systems. In discussions with Cott, it became clear that microfilm availability during the completion of this work is crucial and can only be accessed in the Recorder's Office. The expense of utilizing Cott representatives would be prohibitive. Mr. Newcom further explained that it would also be more expensive to hire a temporary service. He stated that the part-time position does not include benefits, but rather is a temporary, seasonal employee position. Mr. Newcom indicated that, by hiring a local community member with a flexible schedule, it may be beneficial when seeking temporary employees for future projects.

Mr. Nuckolls asked for clarification on the timeframe for the project. Mr. Newcom replied that the initial estimate is that it should take approximately from October through December, 2005 to complete the project. If necessary, the position will be extended one to three months into 2006. He assured the Committee that he will continue to keep them apprised of the progress of the project.

Motion carried.

Mr. Newcom presented a request for approval of an Amendment to the Fiscal Year 2005 Full-time Equivalent Position Resolution – Recorder's Document Storage Fund 0137.

Motion by Selzer/Owens to recommend Approval of
an Amendment to the Fiscal Year 2005 Full-time
Equivalent Position Resolution – Recorder's
Document Storage Fund 0137.

Motion carried.

Mr. Nuckolls asked what is the salary for the temporary positions. Mr. Newcom responded that he requested a classification of Office Support Specialist I at Step I. Mr. Zeunik stated that the salary is \$10.37 per hour. Mr. Newcom added that it is an entry-level position.

Chairman Sorensen asked if there were any further questions. Hearing none, he thanked Mr. Newcom for attending.

Ms. Peggy Ann Milton, County Clerk, presented a request for approval of a Resolution to apply for and accept funds being held by the Illinois State Board of

Elections, which funds were furnished by the United States Government under the provisions of the Help America Vote Act ("HAVA"), for the purchase of new accessible voting equipment certified by the State Board of Elections and in compliance with HAVA requirements. She indicated that this Resolution was submitted to all election authorities in Illinois regarding HAVA funds for the next segment of grant money that will be issued by the State Board of Elections.

Ms. Milton noted that the State Board requested that the Resolution be completed by September 30, 2005. She indicated that the Resolution affirms that McLean County will accept the money and use it appropriately. Ms. Milton advised the Committee that, while the State Board expects the Resolution done by September 30th, no accessible machine is currently certified by the State. She stated that there are two in the testing process, but the two machines have not yet been certified. Ms. Milton indicated that one or two machines are expected to be certified following the State Board's September meeting, and five or six more machines will potentially be certified, including the vendor the County uses.

Ms. Berglund asked if this would cause a problem. Ms. Milton replied that it will not be a problem as the State is aware that she cannot do anything until the machines are certified.

Motion by Owens/Nuckolls to recommend Approval of a Resolution to Apply for and accept Funds being held by the Illinois State Board of Elections, which Funds were Furnished by the United States Government under the provisions of the Help America Vote Act ("HAVA"), for the Purchase of new accessible Voting Equipment Certified by the State Board of Elections and in compliance with HAVA Requirements.

Motion carried.

Ms. Milton distributed a sample of the protective paper used in the County Clerk's Office for official documents. The protective paper, when copied, produces the word "VOID" on the front.

Chairman Sorensen asked if there were any questions. Hearing none, he announced that an action item and acceptance of the Treasurer's Report will be considered at a Stand-up Committee meeting on September 20th.

Chairman Sorensen presented the Assessment Status Report as submitted by Mr. Robert Kahman, Supervisor of Assessments.

Chairman Sorensen asked if there were any questions. Hearing none, he asked Ms. Dozier to present her reports.

Ms. Jackie Dozier, County Auditor, indicated that the audits included in the Committee Packet are State mandated audits. She noted that there will be one more audit in the future.

Chairman Sorensen asked if there were any questions. Hearing none, he thanked Ms. Dozier for her reports.

Mr. Craig Nelson, Director, Information Services, presented a request for approval of a Resolution approving an extended Leave of Absence without Pay. He explained that the Leave of Absence is for an employee with medical complications from which the employee is recovering. The employee will have exhausted all sick and vacation time by September 20th. Mr. Nelson indicated that the employee has been with the County for 14 years.

Chairman Sorensen stated that he depends upon the Department Head's recommendation when making decisions on long-term employees.

Motion by Berglund/Owens to recommend Approval
of a Resolution Approving an Extended Leave of
Absence Without Pay for an Employee in Information
Services.
Motion carried.

Mr. Don Lee, Director, Nursing Home, presented the monthly reports for July 2005. He stated that the month of July was a positive month, although towards the end of the month the census suffered a significant drop due to a number of Medicare residents leaving at the same time. Mr. Lee stated that the drop in residents was spread out over the end of July and the beginning of August, so the financial impact was not felt all in one month. He indicated that the census is back up today to 145 residents in-house and the average census in August was approximately 146 residents. Mr. Lee advised that the Medicare resident census was down to about four per month, rather than the usual seven or eight residents. However, he believes the figure next month will be positive.

Mr. Selzer asked what is the difference in revenue between the Medicare and private pay residents. Mr. Lee replied that the average daily rate for Medicare residents is \$260.00-\$290.00 and the private pay rate is \$116.00 per day.

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

Chairman Sorensen presented a request for approval of a Resolution approving an extended Leave of Absence without Pay, as submitted by Ms. Amy Davis, Public Defender. He noted that this is an extension of a previous Leave of Absence.

Mr. Lindberg summarized the Leave of Absence, noting that the employee continues to be absent without pay due to a continuing serious illness. He indicated that they are hopeful that the employee will be able to return to duty at some time.

Chairman Sorensen asked if the Public Defender was able to continue utilizing the part-time help of a student. Mr. Lindberg replied that Ms. Davis continues to employ the student on a 15-hour a week basis.

Motion by Selzer/Owens to recommend Approval of a Resolution Approving an Extended Leave of Absence Without Pay for an Employee in the Public Defender's Office.
Motion carried.

Mr. John Zeunik, County Administrator, presented a request for approval of the McLean County Board declaring that the McLean County Historical Society owns and uses the boyhood home of Adlai E. Stevenson II for charitable purposes. He noted that the Board previously approved this form of Resolution in 1997. Mr. Zeunik stated that this needs to be approved by all of the taxing districts who levy a tax on the property on East Washington Street. McLean County is the last entity to act on this request, since the County prepares the tax bills and identifies whether the property is taxable or not. Mr. Zeunik advised that this is the same Resolution that was previously approved, except now State law permits the tax abatement through 2008.

Motion by Nuckolls/Moss to recommend Approval of the McLean County Board Declaring that the McLean County Historical Society owns and uses the Boyhood Home of Adlai E. Stevenson II for Charitable Purposes.

Mr. Selzer expressed his concern that this residence is the home of a community member and he feels it is difficult to attest to the fact that it is a non-profit facility used for charitable purposes. He noted that the home is open to the public just a few times a year. Mr. Selzer stated that he will vote "no" on the motion.

Mr. Nuckolls asked how long the County has approved this Resolution. Mr. Zeunik replied that the original request dates back to 1997. The Resolution saves the McLean County Historical Society the cost of property taxes.

Ms. Berglund stated that the home belongs to the Historical Society and the person living in it is the caretaker of the home.

Motion carried by a vote of 5-1.

Mr. Zeunik submitted County Board Mileage alternatives for review and possible action. He reminded the Committee that this was initially presented to the Committee by the County Auditor in July. After some discussion at that meeting, the Committee asked that the issue be calendared to the September meeting for review. Mr. Zeunik stated that he met with the County Auditor and reviewed the possible alternatives for mileage accountability. The following three plans were discussed:

- Continue existing Mileage Reimbursement.
 - Board members are reimbursed for mileage from their home to the Government Center and from the Government Center back to their home.
 - Board members are reimbursed only when they are present at Oversight Committee meetings, Special Committee meetings and the monthly Board meeting.
 - Board members are not required to submit a request for mileage reimbursement or sign a statement attesting to the actual round-trip mileage incurred.
 - If the Board decides to continue the existing mileage reimbursement plan, the mileage reimbursement received needs to be reported and taxed as W-2 non-compensation income.

- Eliminate Mileage Reimbursement for Board Members
 - Three Board members have advised the Auditors Office that they do not wish to be reimbursed for mileage.
 - The impact of this alternative will vary based on the distance to the Board member's residence.

- Adopt an Accountable Plan for Board Members' Mileage Reimbursement
 - The plan must include adequate accounting and substantiation for the mileage claimed.
 - The plan must include a business connection for the mileage claimed.
 - The plan must include a provision that provides for the return of excess amounts reimbursed.
 - Board members attending meetings must provide the following information
 - Check the address from which the member left to attend the meeting.
 - Check the address to which the member will be going after the meeting.
 - Sign the mileage reimbursement form attesting to the accuracy of the mileage reimbursement claimed.
 - The documentation provided on the mileage reimbursement form would satisfy the IRS requirements for an accountable plan.

Ms. Berglund announced that she recently requested the County Auditor to remove her from the list for mileage reimbursement.

Mr. Selzer offered another suggestion, namely have each Board member be responsible to keep track of their mileage and turn in a mileage reimbursement form on a specific date every month indicating their mileage. If they do not turn the log in on the specified date, they will not get paid for that month's mileage.

There was some discussion as to what events/meetings the Board members are entitled to receive mileage reimbursement. Mr. Zeunik stated that Board members have always been reimbursed for mileage to and from Committee meetings, special Committee meetings and Board meetings.

Mr. Moss indicted that the Resolution states that a Board member "will be reimbursed for mileage in connection with official business, including but not limited to attendance at Board and Committee meetings." Chairman Sorensen replied that it has always been, perhaps, an "unwritten" rule that only mileage to and from meetings can be considered, but in theory other meetings could be included.

Chairman Sorensen expressed his preference to discontinue the mileage reimbursement. He indicated that he spoke to Stan Hoselton, who travels from Chenoa for meetings, and that Mr. Hoselton stated he would abide by the

decision of the Finance Committee, but would prefer that it not show up on his W-2 forms.

Mr. Selzer stated that he would personally be happy to discontinue mileage reimbursement, but expressed concern for those Board members who must travel a great distance to meetings. He suggested that the whole Board be allowed to vote on the decision. Chairman Sorensen advised that the Finance Committee does not have the final say on this decision, but it will go to the full Board for vote. However, the Finance Committee must send a recommendation to the Board.

Mr. Selzer indicated that he would support a resolution to discontinue mileage reimbursement. He would also support a resolution where members are responsible for submitting their own mileage on a specific date.

Ms. Dozier indicated that attendance would still need to be taken at meetings to confirm that members did, indeed, attend the meeting.

There was some discussion regarding what mileage counts towards the reimbursement. For instance, would Mr. Selzer be reimbursed for traveling from his place of employment in Peoria, Illinois? Ms. Dozier replied that she believes that the IRS rules call for the shortest amount of miles, so Mr. Selzer would be limited to mileage from his home.

Mr. Owens stated that he has decided to no longer accept mileage reimbursement to attend meetings.

After further discussion, the Committee decided to send the issue of mileage reimbursement to the Executive Committee as an informational item for discussion. Chairman Sorensen suggested that the Finance Committee have a recommendation or opinion in place to take to the Executive Committee.

Motion by Owens/Berglund to recommend the
Adoption of Option 3 for an Accountable Plan for
Board Members' Mileage Reimbursement.

The Committee agreed that if the form is passed around at all meetings and members wish not to receive mileage reimbursement, they can simply pass the form along to the next member.

Mr. Selzer offered his opinion that passing a form around at every meeting is creating extra work for the Administrator's Office and the County Auditor. He suggested that a form be created for each Board member, indicating which meetings they attend, have them be responsible to keep track of their attendance and mileage, and turn in the form on a specific date each month. If they do not turn in the form, they do not get paid. This plan would allow those who don't wish to be reimbursed to simply not return the form. This plan also places the responsibility of keeping track on the Board member and not the Administrator's Office, and meets the IRS requirements for an accountable plan.

Chairman Sorensen asked Mr. Zeunik and Ms. Dozier their opinions on Mr. Selzer's plan of turning in a monthly expense reimbursement accountability report versus passing around a form at each meeting in terms of amount of work placed on the Administrator's Office and the County Auditor. Ms. Dozier suggested that it would be difficult for members to remember to fill out the form on a timely basis. She advised that the majority of the labor falls on the Administrator's Office. Mr. Zeunik stated that the simplest way would be to have Board members account for their own mileage and turn in a monthly report. The Administrator's Office would then only need to verify that the Board member attended the meetings they reported on the form. With this information, he noted the Administrator's Office would create a quarterly report for the Auditor's Office.

Mr. Moss suggested that it would be difficult for Board members to accurately remember their schedule if the form is filled out and returned on a quarterly basis. Mr. Zeunik replied that the forms could be turned in on a monthly basis and be paid each month, or be collected by the Administrator's Office each month and submitted to the Auditor's Office on a quarterly basis.

Mr. Moss made the observation that whatever way it is reported, there is no real method of accountability to prove that the member came from the location they list on the form. Mr. Zeunik replied that it is enough for the Board member to sign the statement.

Ms. Berglund withdrew her motion to recommend Option 3 for an accountable plan for Board Members' Mileage Reimbursement, wherein a form is passed around at each meeting. Rather, she supports the idea of each Board member filling out a mileage reimbursement form, returning it monthly to the Administrator's Office for reimbursement on a quarterly basis.

Motion by Selzer/Berglund to recommend that the Administrator's Office create a form for mileage reimbursement for Board Members to complete and return to the Administrator's Office on a specific date each month to be paid quarterly.
Motion carried.

Chairman Sorensen indicated that the form and instructions will not be ready for presentation to the entire Board until October. Mr. Moss suggested that the Board members be made aware that if they miss the monthly deadline they will not be paid for that month's mileage.

Mr. Lindberg stated that he was asked by a Board member to investigate whether or not there were County employees who use their own vehicles in the course of extensive travel on County business purposes and how they might be impacted by the high gas prices. He indicated that he discussed this with the County Auditor who advised him that the County reimbursement rate is the rate authorized by the IRS as the maximum mileage reimbursement rate allowable. If the County Board decides to increase the mileage reimbursement rate, the higher rate would be taxable. Mr. Lindberg stated that after some investigation, he determined that the 40.5 cents per mile is manageable.

Mr. Lindberg informed the Committee that there is also a concern for the employees who live a distance away and have a long commute. However, he determined that there was no immediate solution and did not think enough people are involved to offer assistance. Mr. Lindberg expressed his hope that gas prices will go down in the near future. Chairman Sorensen stated that he was the Board member who brought up the subject.

Chairman Sorensen asked if there was any other business for the Committee. Hearing none, he reminded the Committee that there will be a stand-up Committee meeting on September 20th to deal with the items from the Treasurer's Office.

Chairman Sorensen presented the August 31, 2005 Finance Committee bills for review and approval as transmitted by the County Auditor. The Finance Committee Fund total is \$858,521.95 with the prepaid total the same. The Nursing Home Fund is \$360,379.98 with the prepaid total the same.

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Motion by Selzer/Berglund to recommend approval of
the August 31, 2005 Finance Committee bills as
presented by the County Auditor.
Motion carried

There being nothing further to come before the Committee at this time, Chairman
Sorensen adjourned the meeting at 5:08 p.m.

Respectfully Submitted,

Judith A. LaCasse
Recording Secretary

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