

## **Minutes of the Finance Committee**

The Finance Committee of the McLean County Board met on Tuesday, October 5, 2004 at 4:00 p.m. in Room 400 of the Government Center, 115 East Washington Street, Bloomington, IL.

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

Members Absent: Members Berglund and Kalapp

Staff Present: Mr. John Zeunik, County Administrator, Mr. Terry Lindberg, Assistant County Administrator, Ms. Lucretia Wherry, Human Resources Assistant and Ms. Jude LaCasse, Assistant to the County Administrator

Department Heads/  
Elected Officials

Present: Ms. Becky McNeil, County Treasurer; Mr. Don Lee, Director, Nursing Home; Mr. Bob Keller, Health Department Administrator; Ms. Ruth Weber, County Recorder; Ms. Jackie Dozier, County Auditor; Ms. Peggy Ann Milton, County Clerk

Others Present: None

Chairman Sorensen called the meeting to order at 4:04 p.m. and noted that two members were absent.

Chairman Sorensen presented the minutes from the September 7, 2004 Finance Committee Meeting for approval. Hearing no corrections to those minutes, Chairman Sorensen advised that the minutes would stand approved as presented.

Ms. Jackie Dozier updated the Finance Committee on the County's efforts to achieve full GASB 34 compliance by the financial system vendor, New World Systems. She indicated that Mr. Eric Ozier, Information Services, went to the New World Conference Meeting in Washington, D.C. Mr. Ozier presented the report packet, with its program errors, to Mr. Paul Seaton of New World Systems. Mr. Ozier indicated to Ms. Dozier that Mr. Seaton would call her, but he has not yet called. Ms. Dozier indicated that she feels the problem has not been corrected.

Mr. Selzer asked about the Law Library fees, which were reviewed a year ago. He remembered that, even though the fees had increased, the spending had not decreased. Ms. Dozier replied that, last year, the spending decreased significantly and the new fee schedule just began in January, 2004. Chairman Sorensen indicated that the Committee will be reviewing the Law Library budget at one of the special budget meetings, so it can be addressed at that time.

Chairman Sorensen responded to Ms. Dozier regarding the software problems, indicating that the Committee is very interested in the progress of the corrections and offered the Committee's help. Ms. Dozier said that Mr. Ozier would like to wait until the December meeting for a new update, which would give Mr. Seaton time to get back with the corrections.

Chairman Sorensen asked the Committee if they had any questions, comments or discussion for Ms. Dozier. Hearing none, he thanked her for attending.

Chairman Sorensen referred to the Assessment Status Report as submitted by Mr. Robert Kahman, Supervisor of Assessments. Chairman Sorensen asked if anyone had any comments, observations or questions on the reports. There were none.

Ms. Peggy Ann Milton, County Clerk, presented a request for approval to change the polling place for Arrowsmith Township from the Township Hall to the Village Hall to fulfill ADA requirements.

Motion by Selzer/Moss to recommend approval of the recommended change of the polling place for Arrowsmith Township.  
Motion carried.

Chairman Sorensen recognized Ms. Becky McNeil, County Treasurer, who presented the County Treasurer's monthly financial reports. The first report she reviewed was the Summary of Retail Occupation Tax, Income Tax, Personal Property Replacement Tax, and General Property Tax. She noted that the Retail Occupation Tax is at 77.34% of budget, and we are 75% through the year as of September 30<sup>th</sup>. This figure is slightly up from last year by about 3%. State Income Tax is at 83.41% of budget, slightly below a year ago. Personal Property Replacement Tax is at 96.49% of budget, which is 24% up from last year. Ms. McNeil pointed out that in August a significant payment was received of \$69,000 compared to \$14,000 a year ago. Ms. McNeil reported that in September second installments were received in the General Property Tax, which brought the revenue to a comparable level with last year. Currently, it is at

95.48% of budget and there is \$6,498,000 in the General Fund. She noted that the Treasurer's Office has sent out certified letters regarding the Property Tax sale November 5<sup>th</sup>. She anticipates that the final distribution from the property taxes will be put into the General Fund by the end of November.

Ms. McNeil reported that the General Property Taxes are at \$6.4 million, which is 95.48% of budget. That figure was 94.9% a year ago, which means that \$40,000 more was distributed this year than last year. Ms. McNeil noted that there is \$20.1 million in Revenue, which is 76.42% of budget -- last year it was 73.66%. Expenses are at \$18.5 million, which is 70.04% of budget, slightly up from last year which was 68.49%. She noted that there are a few areas where more revenue was received compared to last year, namely Personal Property Tax, Inheritance Tax and Circuit Clerk fees. The Recorder's Office figures are down due to a reduction in recordings. Ms. McNeil stated that the Accrued Fund Balance as of September 30<sup>th</sup> is \$6.6 million in the General Fund.

Ms. McNeil stated that, in the Treasurer's General Pooled Investment Account, some interest rates increased from a tenth of a percent to a third of a percent. She noted that all of the money markets went up except State Farm, and CD rates are up slightly. Distributions from first Installment were invested in a long-term range of six months and nine months. The money coming in from second installment is being used to make debt service payments and being put into money markets to get the County through the end of the year. Ms. McNeil reported that some of the Highway Department and Nursing Home funds were moved into prime accounts and CD's for long-term better rate.

Ms. McNeil reviewed the CDAP Revolving Loan Fund Summary, noting that the report summarizes the outstanding revolving loans. Currently, there is a loan with Victory Enterprises and Debra Thomas Learning Center.

Mr. Selzer asked for clarification on how the Revolving Loan is accessed. Mr. Zeunik replied that requests go through the Economic Development Council first. Ms. McNeil indicated they go through a review by a financial institution and then the application is brought to the Board for recommendation. Mr. Zeunik explained that when the loans are approved, they are intended to be 125 to 150 basis points below prime. Mr. Selzer asked if the County could do more to lend the CDAP fund, since the loans brought in a better return than CD's. Mr. Zeunik responded that the new director of the EDC is making an effort to let more people know about the availability of this money. He further noted that there was a presentation given to the Mayor's Association last Thursday. Mr. Selzer recommended that the Board be briefed on the availability of the loans.

Ms. McNeil noted that there is currently \$790,000 available for use. She noted that the funds have been kept in a money market and the Illinois prime account in order to make it accessible. Mr. Selzer pointed out the development being done in the smaller communities in the County that might take advantage of a loan and would bring in sales tax revenue. Mr. Zeunik responded that in the unincorporated area the County receives one percent of the sales tax revenue and in an incorporated city, town or village the County receives one-quarter of one percent. Chairman Sorensen asked that Ms. McNeil or Mr. Zeunik create a document explaining the program for the next Finance Committee Meeting. Ms. McNeil indicated she would generate a summary.

Ms. McNeil reviewed the Employee Benefit Fund Report, which summarizes the Statement of Revenues, Expenditures and Fund Balance. She reported that the Fund Balance is \$730,985.58. Ms. McNeil noted that there is a combination of health insurance, dental insurance, life insurance, Four Seasons and interest loan investments and revenue in the amount of \$2.3 million and expenditures total \$2.4 million. The balance of assets and liabilities is \$730,000.

Chairman Sorensen asked the Committee if they had any questions, comments or discussion for Ms. McNeil.

Motion by Nuckolls/Moss to accept and place on file the month-end financial reports from the Treasurer's Office for the month ending on September 30, 2004.  
Motion carried.

Ms. McNeil reported that State Payments are being received and the payment expected in September for the Income Tax was received on October 2<sup>nd</sup>.

Chairman Sorensen thanked Ms. McNeil for her report.

Mr. Don Lee, Director, Nursing Home, presented the report for the Nursing Home, noting that there was a break-even status for the month of August. The census was up slightly for August, though the Medicare portion of the census was reduced. Mr. Lee noted that the revenue for Medicare recorded this month will actually be the revenue recorded in the next month. Mr. Lee expects that the low census and Medicare revenue being reported next month will be break-even or perhaps a little negative, but the overall situation has improved from what the report reflects.

Chairman Sorensen asked Mr. Lee what the Nursing Home private pay rate will be at the first of the year. Mr. Lee replied that it will probably increase \$3.00 per day. He indicated the Nursing Home had not planned for the almost \$100,000 increase in the liability insurance premium that is being absorbed into this year's budget. He noted that planning for this increase in next year's budget is a significant factor in the increase for the private pay rate. He noted that the Nursing Home is seeing a decrease in the number of Medicare patients in the census. Mr. Selzer asked what the rate is for the self-pay person. Mr. Lee replied that it is \$116 and will increase to \$119. Mr. Lee clarified that the policy for the County is that public aid recipients have priority over a private-pay resident – it is Medicare first, public aid and then private pay. Mr. Nuckolls asked if most of the residents are Medicaid. Mr. Lee replied that the largest portion is Public Aid, then private-pay and last is Medicare.

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

Mr. Robert Keller, Health Department Administrator, presented two items for action to the Committee. The first is a request for approval of a Resolution of the McLean County Board authorizing the McLean County Health Department to participate in an Intergovernmental Mutual Aid Agreement to establish and operate the Illinois Public Health Mutual Aid System (IPHMS). The second is a request to approve an Intergovernmental Mutual Aid Agreement for the establishment of the Illinois Public Health Mutual Aid System (IPHMAS). Mr. Keller gave the Committee a brief history, noting that this has been under discussion for the last few years when they began looking at the ability of public health departments to respond to public health emergencies. He noted that this program was patterned after MABIS, which the County Board passed last month for the Rescue Squad. Mr. Keller asked for the Committee's endorsement and approval of the Resolution and Agreement. Mr. Selzer asked if the geographical breakdown was the same as MABIS. Mr. Keller replied that it is not at this time, but will probably include Champaign, Peoria and Tazewell counties. Mr. Keller recommends the Agreement and noted that if the Health Department is not part of the program, they would not be able to receive mutual aid.

Motion by Selzer/Nuckolls to recommend approval of a Resolution of the McLean County Board Authorizing the McLean County Health Department to Participate in an Intergovernmental Mutual Aid Agreement to establish and operate the Illinois Public Health Mutual Aid System (IPHMAS) and to recommend approval of an Intergovernmental Mutual Aid Agreement for the Establishment of the Illinois Public Health Mutual Aid System (IPHMAS).

Motion carried

Chairman Sorensen thanked Mr. Keller.

Ms. Ruth Weber, County Recorder, presented the September monthly report for the Recorder's Office. Chairman Sorensen asked if there has been a slow down in refinancing activity. Ms. Weber replied that there is a definite decline in refinancing compared to last year when people were refinancing two, three or more times. She noted that there have been a lot of sales, but even sales are slowing down at this time.

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

Chairman Sorensen indicated that it was necessary to schedule some special meeting times for the Finance Committee. After some discussion, it was determined that there would be two meetings, as follows:

Tuesday, October 12	5:00 p.m. (following Executive Committee)
Friday, October 15	8:00 a.m.

Mr. Zeunik indicated there will be an item that will need to be brought to a stand-up committee meeting at the October 19 Board Meeting. He explained that the Justice Committee approved a grant from the Illinois Criminal Justice Informational Authority to fund a multi-disciplinary, multi-agency Domestic Violence grant. There is an FTE amendment in the State's Attorneys Office that will need to be brought to Committee. Mr. Selzer commented on grant funded positions, noting the recent discussion regarding a position that did not receive full funding, but was still funded by other means. It was his understanding that positions that did not receive full funding would be eliminated.

Finance Committee  
October 5, 2004  
Page Seven

Chairman Sorensen asked for a motion to go into Executive Session to discuss collective bargaining issues.

Motion by Selzer/Moss to recommend the Finance Committee go into Executive Session at 4:50 p.m.  
Motion carried

Motion by Nuckolls/Moss to recommend the Finance Committee return to the regular meeting at 5:10 p.m.  
Motion carried.

Chairman Sorensen presented the September 30, 2004 Finance Committee bills for review and approval as transmitted by the County Auditor. The Finance Committee Fund total is \$574,940.14, with the prepaid total the same. The Nursing Home Fund is \$339,942.71, with the prepaid total the same.

Finance Committee  
October 5, 2004  
Page Eight

Motion by Nuckolls/Moss to recommend approval of the  
September 30, 2004 Finance Committee bills as  
presented to the Committee by the County Auditor.  
Motion carried

The special Finance Committee meeting dates were reviewed, as follows:  
Tuesday, October 12 at 5:00 p.m. and Friday, October 15 at 8:00 a.m.

There being nothing further to come before the Committee at this time,  
Chairman Sorensen adjourned the meeting at 5:15 p.m.

Respectfully Submitted,

Judith A. LaCasse  
Recording Secretary

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