

Minutes of the Finance Committee Meeting

The Finance Committee of the McLean County Board met on Tuesday, September 3, 2002 at 5:30 p.m. in Room 700 of the McLean County Law and Justice Center, 104 West Front Street, Bloomington, Illinois.

Members Present: Chairman Sorensen, Members Arnold, Berglund, Kinzinger, Rodman and Renner

Members Absent: None

Staff Present: Mr. John M. Zeunik, County Administrator; Mr. Terry Lindberg, Assistant County Administrator; Ms. Lucretia Wherry, County Administrator's Office; Mrs. Carmen I. Zielinski, County Administrator's Office

Elected Officials/

Department Heads: Ms. Jackie Dozier, County Auditor; Ms. Julie Osborn, Staff Accountant, Auditor's Office; Mr. Don Lee, Director, McLean County Nursing Home; Ms. Roxanne Castleman, Director, Court Services; Mr. Jack Mitchell, County Engineer, County Highway Department; Ms. Ruth Weber, County Recorder; Chief Deputy Derick Love, McLean County Sheriff's Department; Ms. Peggy Ann Milton, County Clerk; Ms. Beth Kimmerling, County Coroner; Mr. Charles Reynard, State's Attorney

Others Present: None

Chairman Sorensen called the meeting to order at 5:31 p.m.

The minutes of the August 6 and August 20, 2002 Finance Committee meetings were accepted and placed on file as presented.

Ms. Jackie Dozier, County Auditor, presented for approval a Maintenance and Professional Service Contract with IKON. Ms. Dozier explained that the Office's existing copier needed extensive repairs. Therefore, Ms. Dozier approached the Administrator's Office and received authorization to move forward with the lease/purchase of an IKON copier. The terms and conditions used in the proposed contract are the same as those used by Mr. Lindberg in previous agreements for other County offices. Ms. Dozier explained that the leasing cost for this new copier would be \$695.00 for the remainder of 2002 and approximately \$120.00 for the maintenance. Ms. Dozier noted that the County would receive a refund in the amount of \$385.00 for the prepaid maintenance contract on the old copier.

Motion by Kinzinger/Berglund to recommend approval of a Contract for Lease/Purchase of an IKON Copier for the Auditor's Office. Motion carried.

Mr. Don Lee, Nursing Home Director, presented the Monthly Report. Mr. Lee noted that the resident number stands at 128 as of today. The average daily census for the month of August was down. The Medicare percentage did increase. The revenue from Medicare will help balance the numbers. Mr. Lee informed the Finance Committee that August was the first month under the new Public Aid rates. The decrease in the Public Aid rate could amount to 5.9%, an \$11,000.00 loss in revenue for the month of July.

Mr. Rodman referred to an article printed in The Pantagraph regarding a new law passed on Long Term Care reimbursement. Mr. Rodman asked how will this affect the McLean County Nursing Home. Mr. Lee answered that the new law will benefit Nursing Homes from the northern part of Illinois. The new law contains a "hold harmless" clause, which guarantees that these homes will not receive any cuts in their reimbursement rates for a fixed number of years. So, unless there is extra funding provided, McLean County would probably see no benefits from the new law.

Chairman Sorensen stated that Mr. James Boylan, County Treasurer, was not present this evening due to the increased activity in the Treasurer's Office for second installment tax payments. The Treasurer's reports will be presented at a Stand-Up before the County Board meeting on September 17, 2002.

Ms. Roxanne Castleman, Director, Court Services, presented a request for approval to fill any open departmental positions within the Court Services Department that receive 100% funding from the Administrative Office of Illinois Courts (A.O.I.C.). Ms. Castleman explained that due to the County Board's vote to impose a hiring freeze in July 2002, she is requesting authorization from the Finance Committee to fill a vacant position in the Adult Probation Division within the Court Services Department. The vacant position is a 100% AOIC salary reimbursement position. If this position is not filled, the County will not receive the revenue from the State of Illinois for this particular position. Freezing this position or any 100% salary reimbursement position, in the Court Services Department will not result in substantial savings for McLean County in 2002. Ms. Castleman restated that the County only receives reimbursement when the position is filled.

Mr. Rodman commented that this is one of the offices in the Justice System that is typically understaffed when measured against the workload and he supports the request. Mr. Rodman wondered since the position is currently funded 100% through the AOIC, could funding be dropped by the State in the future. Ms. Castleman answered that the

100% salary reimbursement positions would decrease to a 89.7%, but the State will reimburse 100% of the salary until the allotted funds run out. With McLean County's fiscal year running from January through December, if the position remains vacant, the County would receive nothing from the State. Mr. Zeunik explained that the State's fiscal year runs from July 1 through June 30. So, in this instance, with the adoption of the new State budget, the State will reimburse McLean County 100% of the salary reimbursement for this position through the balance of the County's fiscal year. Mr. Zeunik stated that in the County's budget meetings with Court Services, looking at the reimbursements for fiscal year 2003. The shortfall should occur in late April or May of 2003. Mr. Zeunik stated that FICA and IMRF for this position are outside of the General Fund.

Mr. Kinzinger voiced his concern that due to the fiscal constrains the County is facing, he would be more comfortable not granting a blanket authority to the hiring of personnel for positions funded 100% through salary reimbursement from AOIC.

Motion by Arnold/Kinzinger to recommend approval of a request to fill an open departmental position within the Court Services Department that receives 100% salary reimbursement through the Administrative Office of Illinois Courts (A.O.I.C.). Motion carried.

Mr. Jack Mitchell, County Engineer, presented a request to reclassify a Civil Engineer I to Civil Engineer II. Mr. Mitchell stated that the Civil Engineer position performs engineering design and construction work on the County and Townships roads. Traffic volume and citizens demands for services keep increasing. The duties of this position become more complex as time goes on. The Illinois Department of Transportation keeps changing their rules, regulations and policies, as does the Department of Natural Resources, Environmental Protection Agency, Army Corps of Engineers. Mr. Mitchell stated that the Highway Department needs to maintain a professional staff in order to accomplish the programs and deal with other departments, agencies and the public. Mr. Mitchell noted that the Civil Engineer I requires a BS degree in Civil Engineering. The job description for a Civil Engineer II requires a BS degree in Civil Engineering and four years engineering experience.

Mr. Renner wondered how the circumstances differ now from when the PSA Compensation and Classification Study was conducted. Mr. Mitchell explained that a Civil Engineer I is required to be a college graduate with a Civil Engineer degree. A Civil Engineer II is required to have four (4) years of experience in the field and have passed the State licensing exam. Mr. Renner asked what will happen when and if this staff member leaves the County and a new person is hired to replace him. Mr. Mitchell answered that if this position becomes vacant, the position would be advertised as a Civil

Engineer II. Depending on the applications received, the position may have to be lowered to the Civil Engineer I.

Chairman Sorensen clarified that when the FTE Resolution is presented every year as part of the budgeting process, the number of positions each classification in every department are identified. Chairman Sorensen noted that Mr. Mitchell is stating that the Highway Department has one (1) Civil Engineer I, one (1) Civil Engineer II and two (2) Project Managers in the present budget. The personnel in the Highway Department do not progress through the position levels. Mr. Arnold noted that it would not be proper to deny this request. If this person has the qualifications for this position, denying him the advance would be against the law.

Mr. Kinzinger asked how would the department be affected if this request is not approved. Mr. Mitchell stated that the denial of this request would impact the morale of the department.

Mr. Rodman asked if there was precedence regarding this situation with another departments. Mr. Zeunik answered that the only comparable departments, due to the larger number of professionals, would be the State's Attorney's Office and the Public Defenders. In the State's Attorney's Office there are a number of professional attorney positions from Assistant State's Attorney I up to Assistant State's Attorney IV and a similar complement can be seen within the Public Defender's Office. Mr. Zeunik noted that all of these individuals have to be licensed to practice law. The individuals at the higher level bring more experience to the position so they are assigned the more difficult cases. The compensation schedule recognizes the value of experience and the difficulty of their duties. Historically, the Highway Department has had one (1) Licensed Engineer, and that was the County Engineer. Recently, Mr. Mitchell requested that the Assistant County Engineer be a Licensed Engineer so that there was someone else available with the authority to put his license and signature on a set of drawings or documents.

Mr. Zeunik stated that this individual has been with the department long enough to have sufficient experience and has passed the rigors of the state license exam to become a certified, licensed engineer. This would be the first time that the Highway Department has three (3) licensed engineers.

Ms. Berglund asked if approving this request would set a precedent. Mr. Zeunik clarified that the budget policy previously approved for the current fiscal year provides for the review and approval of all personnel matters by the Finance Committee. This request is consistent with the PAS Study because the PAS Study differentiated the professional engineers from the non-professional. Mr. Zeunik stated that this is not a situation that will cause future problems because the fact-situation here is specific and unique to the Highway Department and the PAS Study.

Mr. Kinzinger stated that he will be voting against this request because he does not feel there are compelling reasons for the changes.

Mr. Arnold noted that this individual went through training with the interest of advancing to become a licensed Civil Engineer. If the individual does not get the advancement, McLean County may lose a qualified employee to someone else.

Mr. Rodman stated that he would vote against the request because he was not comfortable with the business need case presented by Mr. Mitchell. Mr. Rodman would like this request revisited during the budget cycle. Even though the expense does not come out of the General Fund, Mr. Rodman expressed concern about the message being sent to the rest of the departments.

Mr. Renner noted that this situation is unique enough to grant the request presented by Mr. Mitchell. This is an employee morale that would be detrimental to the Highway Department if this request was denied.

Motion by Renner/Arnold to recommend approval
of a request to reclassify a Civil Engineer I to Civil
Engineer II as presented by the County Engineer.

Chairman Sorensen commented that as long as the members of the Finance Committee hold true to the rules and follow them, consistently, with all the department heads, no future problems should occur. Chairman Sorensen asked if there were any other questions. Hearing none, Chairman Sorensen called for a vote on the previous motion.

Motion carried with Members Kinzinger and Rodman voting no.

Ms. Ruth Weber, County Recorder, discussed the Recorder's response to the Outside Auditor's Management Letter of Advisory Comments presented to the Finance Committee. Ms. Weber asked that the Committee note the Daily Report No. 1 that lists the breakdown of fees and the account to which the fees are assigned. This report has been used on a daily basis and it also accompanies the turn-ins to the County Treasurer's Office. Following discussions with the Treasurer's Office, Report No. 2 will be used in the future. Report No. 2 lists the daily turn-ins plus fees that have been charged in the Recorder's Office. Ms. Weber explained that the Recorder's Office has about 50 Credit Agreements that are used on a regular basis.

Ms. Weber stated that the Recorder's Office has been working with the new Software Vendor on the Payment on Accounts Bracket on a Daily Basis for the Document Storage

and GIS Fund. At the recommendation of the Treasurer's Office, the Recorder has requested from the Software Vendor that they provide a Cash Short and Over Account Category for the State Revenue Stamps, so it can be checked on a daily basis. These two matters are being worked on and will be implemented in the very near future.

Ms. Weber explained that Report No. 2 shows the Monthly Account Balance with a breakdown of the various accounts showing their Account Number, Description, Cash, Charge and Total Amounts on a month-to-date and year-to-date totals through August 30, 2002. Ms. Weber stated that all of this information, provided on a daily and monthly basis, should meet the recommendations of the Outside Auditor.

Mr. Arnold expressed his concern on the similarity of Form No. 1 and Form No. 2.

Ms. Weber explained that Form No.2 clearly documents the credit charge transactions.

Mr. Zeunik explained that one of the areas that has been an issue with the Treasurer's Office and the Outside Auditors has been the reconciliation of the credit because the turn-in only reflected the cash turn-ins. The new form will document the daily record and the monthly record of the charges outstanding on the credit agreements. This will allow the Treasurer's Office to create an account receivable that will facilitate reconciliation.

Mr. Zeunik noted that the new COTT System has an "aging" report that provides the Recorder's Office and the Treasurer's Office with a list of all the credit agreements, the amount on credit and the age of the accounts. This report can be used to check and reconcile the account receivable balance.

Chairman Sorensen recommended that Ms. Weber continue to update the Finance Committee every few months regarding the new reports. Ms. Weber stated that she would be happy to keep the Finance Committee updated.

Ms. Weber presented and discussed the Recorder's Office Activity Report for the first eight (8) months of Fiscal Year 2002. Ms. Weber noted that the first eight (8) months of the year 2001, 29,105 documents were recorded in the Recorder's Office. During the first eight (8) months of 2002, the Recorder' Office has handled 28,603 documents. Unfortunately, the Recorder's Office is behind with the recording of documents. The implementation of the Software System had initially slowed down the recording of documents but the pace for recording documents is picking up. The Recorder's Office is now doing their own Image Scanning again, where a CD is burned and sent out for the implementation of microfilm. Chairman Sorensen asked if the microfilming of records was a statutory requirement. Ms. Weber answered that it is a statutory requirement for the Recorder's Office. Ms. Weber concluded that the year 2002 will be another record-breaking year for the McLean County Recorder's Office.

Mr. John M. Zeunik, County Administrator, updated the Finance Committee regarding the reductions in the Fiscal Year 2002 General Fund Adopted Budget the departments that failed to meet their target reduction for the Fiscal Year 2002 budget.

Mr. Zeunik asked Mr. Terry Lindberg, Assistant County Administrator, to discuss the Merit Commit. Mr. Lindberg noted that the Sheriff's Merit Commission, recruits and hires deputies and correctional officers for the McLean County Sheriff's Department. They also conduct disciplinary and termination hearings for deputies and officers. Mr. Lindberg explained that the Merit Commission consists of five appointed members and a part-time secretary with a budget totaling \$14,631.00. The frequency of the Merit Commission's meetings is determined by the Sheriff's staffing needs. The Merit Commission maintains an eligible candidate list so a prompt response is made to the Sheriff's requests when there is a need to fill deputies or correctional officers vacancies. As of August 29, 2002, the Merit Commission has spent nearly 80% of their annual budget, due to a higher than normal number of applicant interviews needed to develop and maintain a candidate list for the Sheriff's Department. The target reduction for the Merit Commission was a modest \$521.00. It is likely that the 2002 expenditures will equal or exceed the original budget. At this time, Mr. Lindberg recommends no reductions in the Merit Commission budget.

Chairman Sorensen noted that as the Finance Committee, dealing with uncharted waters, no official action needs to be taken. It is mostly presented as an informational item. The Finance Committee can determine whether they are satisfied with the responses from the departments or whether additional action is required. The recommendations that the Finance Committee can make at this time, can run from "the Committee is satisfied with the present answer at this time" to "the Committee is satisfied with this response at this time but wants the department heads to understand that 2003 is coming and this is only the precursor to further cutbacks" to "the Finance Committee understands that the department heads states that further costs are not possible, but the Committee says that they should be able to make further reductions and a resolution will be passed that will make the reductions for the department."

Mr. Kinzinger stated that the responses should be taken on a one-by-one, case by case basis in order to reach consensus. Mr. Kinzinger stated that departments that deal with the safety of the public should be granted some latitude. Chairman Sorensen suggested that the Committee think about how, as member of the Finance Committee, expenses and budget matters are perceived. How would a budget cut or a denial of a request affect the ability of the department to do their job properly and safely.

Motion by Rodman/Renner to accept and place on file the Department Heads Response Letters to the Finance Committee's request to meet the budget reductions in the Fiscal Year 2002 General Fund.
Motion carried.

Motion by Kinzinger/Arnold to accept the Sheriff's Merit Commission Response to the request for further budgetary cuts. Motion carried.

Mr. Zeunik referred to the County Clerk's Office letter. Ms. Peggy Ann Milton, County Clerk stated that during the Fiscal Year 2002 original budget cycle, the County Clerk's Office reduced their operating line item account expenditures. Had it not been for a temporarily vacant position in the County Clerk's Office, the contributed reduction of \$9,470.00 would not have been possible. Currently, there aren't any vacant positions in the County Clerks Office. Ms. Milton explained that further reductions to the County Clerk's Fiscal Year 2002 budget are not feasible because most of the department's functions are mandated by statute, such as elections, vitals and taxes. During the Fiscal Year 2002 budget cycle, the County Clerk did not account for six polling place changes, which incurred additional postage expense of approximately \$1,243.00. Also not anticipated, was the Electoral Board meeting, which cost \$140.00 for transcript expense. Ms. Milton noted that the County Clerk's Office underestimated the Judge line item account by \$7,000.00, which accounts for the election night judges, mileage or return of supplies. Ms. Milton noted that as a result of the fee study conducted for the County Clerk's Office, the County Clerk's year-to-date revenue totals \$56,000.00 more than last year. Ms. Milton stated that even though revenues are not being considered, the actions that generate additional unanticipated revenues should be taken into account.

Ms. Milton defined some of the ways her department is trying to save funds yet keep the the services of the County Clerk's Office moving forward smoothly. Ms. Milton noted that interns work in the office for credit hours and not pay; genealogical requests are being handled by a volunteer; County Clerk's Office staff works over time to compensate for the overload; the Election and Tax Extension Managers were hired at Step I, instead of Step 10, and supplies are being recycled.

Mr. Renner asked what portion of the County Clerk's Office budget goes towards the election administration process and what portion goes towards vital records. Ms. Milton answered that originally \$263,000.00 was budgeted for the election administration process and originally \$29,900.00 was budgeted for vital services, but these numbers do not include payroll.

Mr. Arnold asked what the revenue budget was for the County Clerk's Office. Ms. Milton answered that the County Clerk's Office has collected \$56,000.00 over last year's numbers and revenues will be \$100,000.00 over the projected budget for this year.

Mr. Kinzinger asked Mr. Zeunik if there is any room in the budget where the targeted cuts can be made. Mr. Zeunik clarified that the County Clerk is in the best position to look at

the expenses expected before the end of the year. In terms of additional cuts, there is always the possibility of reducing personnel expenses, if there is no other place to cut. Mr. Zeunik explained that some departments, as a result of reorganization that occurred because of a vacant position, were able to cut the vacant position in 2002 and won't ask for it to be filled in 2003. This type of reorganization has provided additional savings.

Mr. Zeunik noted that the number of vacant positions between now and the end of the year could generate further savings. Even after considering in the County Clerk's Office and Recorder's Office, the revenue shortfall is still present. The revenue shortfall gap may narrow if vacant positions stay vacant for longer periods of time.

Mr. Rodman commented that not every department is the same. The Finance Committee needs to be careful in forcing every department to be the same in terms of the flat amount of reduction requested. Public safety is an issue that can not be jeopardized. Another issue to consider is how well were the budgets developed at the beginning of the year. Mr. Rodman stated that to a certain extent the Finance Committee has to accept what the department heads have submitted, not blindly, but with some common sense.

Ms. Berglund agreed with Mr. Rodman's statements. Ms. Berglund noted that if it had not been for the Election Judge line item, Ms. Milton would probably have reached her targeted cut. Ms. Berglund noted that circumstances beyond the department heads' control have to be taken into account. Mr. Kinzinger commented that other departments will question why some departments were allowed to disregard the directive to cut their departmental budgets by the specified amount established by the County Board.

Motion by Rodman/Berglund to accept the response and rationale of the County Clerk's Response to the request for further budgetary cuts.

Ms. Milton informed the Committee that her department is looking into other election vendors that may provide a better and cheaper program and thus provide additional savings. Ms. Milton suggested, for the County Board's consideration, having the County Board Proceeding Books available via the internet by the Information Services.

Mr. Rodman recommended that the issue about the proceeding books be presented to the County Board for their approval. Ms. Milton stated that depending on the size of the proceeding book, the County could see savings of \$200.00 to \$500.00 a month.

Motion carried with Mr. Kinzinger voting no.

Chairman Sorensen noted that department heads need to be aware that cuts may need to be made regarding personnel if the budget situation can not be solved with the present

steps.

Mr. Zeunik referred to the County Coroner's response. Ms. Beth C. Kimmerling, County Coroner, responded that no other additional budget reductions may be made in the line item account expenditures, salary savings or reductions in staff without diminishing the services that the Coroner's Office provides to the public. Ms. Kimmerling stated that during the budget discussions for the Fiscal Year 2002, she presented a proposal that streamlined operations within the Coroner's Office. In the proposal one payroll item was eliminated giving back approximately \$5,000.00 to the General Fund. Ms. Kimmerling noted that she will try to adjust scheduling of hours within the Coroner's Office that do not violate the Fair Labor Standards Act for the 24 hour staffing of the Coroner's Office.

Ms. Kimmerling informed the Committee that she has reorganized the work schedule of her office in order to reduce the part-time expense in her present budget. As of September 1, 2002, the Coroner's Office staff will follow the following hours: four (4) full -time employees work Monday through Friday and the four (4) regular part-time employees (who cover the office daily after hours and are on-call on the weekends. Starting September 1st, the Chief Deputy and Ms. Kimmerling will handle the on-calls during the week. This has reduced the number of hours the part-time employees work for the month of September. Ms. Kimmerling stated that she commented to her staff that this may be a temporary solution but until the month of September ends, she is not able to provide any estimated savings. Ms. Kimmerling stated that the caseload in the Coroner's Office increased approximately 30% from Fiscal Year 2000 to Fiscal year 2001, with 802 deaths and 100 autopsies. Ms. Kimmerling acknowledged the request asked of the Coroner's Officer to hold figures for Fiscal Year 2001, specifically autopsy and toxicology line items, at the Fiscal Year 2000 levels. However, monthly statistical reports to the Justice Committee show a 14% year-to-date increase from Fiscal Year 2001 to Fiscal Year 2002. This year, 70 autopsies have performed to date. Autopsies for the rest of the year will be above the budgeted line item figure. Ms. Kimmerling concluded that although crime statistics may be decreasing, death investigations are increasing, and the Coroner's Office is busier than before.

Mr. Kinzinger asked what the Coroner's Office over-all budget was. Ms. Kimmerling answered \$350,000.00. Mr. Kinzinger asked Ms. Kimmerling, if she had to cut another \$1,700.00 from her present budget, where would she cut it from. Ms. Kimmerling answered she would cut it from the Autopsy line item because that line item is already over the budget amount, because she has no idea where to take the reduction from.

Motion by Renner/Berglund to accept the response and rationale of the County Coroner's Office to the request for further budgetary cuts.

Mr. Kinzinger asked if the Coroner's Office has had an overall reduction in FTEs. Ms. Kimmerling answered yes, because the occasional/seasonal employee line item was eliminated in the Fiscal Year 2002 budget.

Chairman Sorensen asked if every County Coroner set up their own criteria requirements for autopsies. Ms. Kimmerling answered that State statutes guide a Coroner for most of the cases but some judgement is used in special and unique cases. Ms. Kimmerling stated that she has reviewed her 2002 cases to see if there were autopsy cases that should not have been performed and there were one to two cases that maybe should not have been performed. Chairman Sorensen asked if there were any further questions. Hearing none, he called for the question on the previous motion.

Motion carried.

The Finance Committee meeting recessed at 7:25 p.m. and moved to Room 703 due to a Zoning Board of Appeals Meeting.

Mr. Zeunik referred to the Public Defender's response. Ms. Amy Davis was not present at this time. Per the Finance Committee's request, the Public Defender's Office is able to further reduce their budget by an additional \$3,798.00. The reduction is from the Seasonal Employee line item. This position, which originated from the Drug and Violent Crime grant, was categorized as a Paralegal position. In the Spring of 2001, the County Board adopted the grant positions as County positions and the salary for the Paralegal position was placed in the Seasonal Employee line item. For the purpose of payroll, this position was further categorized as a File Clerk. After reviewing the budget performance report and totaling the amounts that were expended for the File Clerk position, the \$3,798.00 has not been expended and can be returned to the General Fund.

Ms. Davis noted in her response letter that further reductions in the Public Defenders budget are impossible without eliminating staff.

Motion by Kinzinger/Berglund to accept the Public Defender's reduction in the amount of \$3,798.00. Motion carried.

Motion by Kinzinger/Renner to request that the Public Defender meet with the Finance Committee to discuss whether the further reduction of \$9,000.00 can be made to the Public Defender's budget.
Motion carried.

Mr. Zeunik referred to the Sheriff's Department budget. Chief Deputy Derick Love, McLean County Sheriff, stated that the Sheriff's Department agreed to not fill one Law Finance Committee Meeting Minutes

Enforcement FTE due to retirement in July and one Correctional Officer position which became open due to a resignation. Reductions in the part-time employee line item were made to help comply with the Board's request. The Sheriff's Department has frozen all spending, except for essential items in hopes of returning additional money to the General Fund at the end of the year. Any further cuts would directly impact the Sheriff's Department ability to provide public safety services to the community. Chief Deputy Love noted that in 2001, the Sheriff's Department cut \$90,327.00 from their original operational budget request and have now cut an additional \$109,873.00 from the Sheriff's Department Fiscal Year 2002 budget. That totals \$200,200.00 in cuts from the Fiscal Year 2002 budget that were originally requested.

Chief Deputy Love noted that the Overtime line item was already 75% spent with only 60% of the year gone.

Motion by Arnold/Renner to accept the response and rationale of the McLean County Sheriff's Department to the request for further budgetary cuts. Motion carried.

Mr. Zeunik referred to the State's Attorney's Office response. Mr. Charles Reynard, State's Attorney, stated that the State's Attorney Office had a very modest increase of 1.84% over the Fiscal Year 2001 budget. In late August 2002, the State's Attorney's Office was asked to further trim their budget by \$11,700.00, for a total of \$253,517.00 department expense lines for Fiscal Year 2002. The County Board asked for some additional cuts from the State's Attorney's Office of \$43,770.00. After further review of the budget, \$31,978.00 was cut from the Expense and Overtime line items. Mr. Reynard noted that from the original Fiscal Year 2002 Department Head Request budget, \$43,678.00 was cut, making the line item \$31,693.00 less than Fiscal Year 2001. There is no additional fat to trim from the Expense budget line items.

Mr. Reynard explained that the Program 20 Contract Services line item containing the Transworld Systems, Inc., is being reviewed to see how the contract with Transworld can be more beneficial to the County. One option would be to discontinue their services, but the County would then lose some revenue. If it is decided to continue using them for collection of delinquent fines and court costs, one payment option would involve depleting the State's Attorney's Office Fiscal Year 2002 funds. Another option would allow for the purchase of sufficient accounts to finish out the year 2002 and carry the office through 2003 and divide the payment between the two fiscal year budgets. This option would allow the State's Attorney's Office to reduce both the Fiscal Year 2002 and 2003 requested line items amounts.

Mr. Arnold noted that the delinquent accounts money would be waiting to be collected at the beginning of 2003, so why can't the \$13,100.00 presently sitting in the Contract Services line item for Transworld System be deferred until January 1, 2003. Mr. Reynard answered that it could be deferred if the Finance Committee chooses to make that decision for the State's Attorney's Office. The \$13,100.00 in the Contract line item account would correspond to the requested reduction figure for the State's Attorney's Office. Mr. Reynard noted that the negative side to this action would be the possible loss of revenue because the freshest delinquent accounts do not get pursued in a timely fashion.

Mr. Arnold wondered if the County makes some attempt to collect these delinquent accounts before they are released to Transworld System for collection. Mr. Reynard answered that the County tries to collect the accounts, but the collection of these accounts is a labor-intensive process using Transworld Systems, Mr. Reynard noted that for every dollar spent pursuing collection of delinquent accounts, four dollars are collected as revenue. Mr. Reynard commented that if he is directed to further cut his budget to meet the required reduction, the Contract line item account would be the first place he would look into for the money to comply, though it would reduce revenue for the balance of the year.

Mr. Kinzinger asked Mr. Reynard what the consequences would be if he was directed by the Finance Committee to reduce his personnel budget by \$13,100.00, without touching the Contract line item. Mr. Reynard answered that a reduction in personnel would ultimately lead to a decrease in the prosecution of cases, which ultimately would affect public safety.

Chairman Sorensen commented that the interesting thing about this proposed cut, which is different from items already discussed, is when talking about deferring expenses, real savings in deferred expenses is getting that extra year of service out of the merchandise. Chairman Sorensen stated that even though the money may be deferred, the only saving is the very temporary time-value of money. Chairman Sorensen explained that if the County spends the \$13,100.00 in September to purchase a number of collection accounts from Transworld Systems, taking into consideration what the current stock of delinquent cases are at budget time 2003, and another \$13,100.00 is not budgeted in 2003, in effect the \$13,100.00 will not be budgeted or spent in 2003.

Chairman Sorensen clarified that what is being stated at this meeting tonight is, if the Finance Committee decides to not pursue services with Transworld Systems for the remainder of 2002, the revenue that may have been derived from the collection agency may be lost for good. Mr. Reynard answered that he does not foresee a near term impact in the State's Attorney's Office's ability to seek revenue from the delinquent accounts.

Mr. Renner noted that if the revenue return on the contract money used for Transworld System is 4 to1, spending \$13,100.00 to collect \$52,000.00 would be something that should be seriously considered. Not only is money being cut to solve the County's current budget problems, but money is being permanently lost along the way.

Mr. Zeunik clarified that Transworld Systems is presently working on delinquent cases assigned to them from the contract funds of 2001. Mr. Zeunik asked Mr. Reynard what is the time lapse between the time a case is referred to Transworld Systems and when the actual revenue is realized. Mr. Reynard answered that the average letter series that the collection agency sends covers a six-week period of time. Much of the revenue return occurs within the six-week period. Mr. Reynard stated that buying enough accounts this year in order for the County to not experience any revenue lapse in 2002 and then promptly purchase more accounts in 2003, would still provide a proper level of revenue for the County, and at the same time, offer some savings.

Mr. Reynard offered to return to the Finance Committee next month with more information on this option.

Motion by Arnold/Berglund to ask the State's Attorney to cut his 2002 Budget for Contractual Services with Transworld Systems from \$13,100.00 to \$6,600.000. Motion defeated 2 to 3 with Members Rodman, Kinzinger and Renner voting against.

Mr. Zeunik informed the Finance Committee that the Administrator's Office received a request from the Sheriff's Department to fill a vacant position. A Correctional Officer who was on administrative leave has resigned as of August 29th. Action on this request can be handled through a Stand-Up meeting before the County Board meeting.

Chairman Sorensen presented the bills for payment as submitted and reviewed by the County Auditor.

Motion by Arnold/Kinzinger to recommend approval
of the bills and transfers 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 8:12 p.m.

Respectfully submitted,

Mrs. Carmen I. Zielinski
Recording Secretary