

## Minutes of the Finance Committee

The Finance Committee of the McLean County Board met on Wednesday, June 6, 2012 at 4:00 p.m. in Room 400 of the Government Center, 115 East Washington Street, Bloomington, IL.

Members Present: Chairman Owens, Members Butler, Wollrab, McIntyre and Rankin

Members Absent: Member O'Connor

Other Members Present: Member Erickson

Staff Present: Mr. Bill Wasson, County Administrator; Ms. Hannah Eisner, Assistant County Administrator and Ms. Judith LaCasse, Recording Secretary, County Administrator's Office

Department Heads/  
Elected Officials  
Present:

Ms. Becky McNeil, County Treasurer; Ms. Michelle Anderson, County Auditor; Ms. Kathy Michael, County Clerk; Mr. Jack Moody, Director, Facilities Management; Mr. Ron Dozier, State's Attorney; Mr. Will Scanlon, Trial Court Administrator - Eleventh Circuit Court; Mr. Bob Kahman, Supervisor of Assessments

Others Present: Ms. Monica Paul, Chief Deputy County Auditor; Ms. Heidi Hobkirk, Director, McGladrey and Pullen

Chairman Owens called the meeting to order at 4:00 p.m.

Chairman Owens presented the minutes of the May 2, 2012 Finance Committee Meeting for approval.

Motion by Butler/Rankin to approve the Minutes of the May 2, 2012 Finance Committee Meeting.  
Motion carried.

Chairman Owens presented the Nursing Home Monthly Report as submitted by Mr. Matt Riehle, Director, Nursing Home. There were no questions regarding the report.

Ms. Kathy Michael, County Clerk, presented her Monthly Report for March 2012. She announced that she needs 400 election judges, and asked for any suggestions. Ms. Michael anticipates that it will be a busy election season.

Chairman Owens asked if Ms. Michael has considered using high school seniors as judges. Ms. Michael replied that contact has been made with high school principals and colleges.

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

Chairman Owens presented the County Recorder's Monthly Reports as submitted by Mr. Lee Newcom, County Recorder. There were no questions on the reports.

Ms. Becky McNeil, County Treasurer, presented the Financial Reports for the period ending May 31, 2012, as distributed.

Ms. McNeil reviewed the Summary of Tax Vouchers for Sales, Income, Local Use and Personal Property Replacement Tax, as follows:

<b>May 2012 Vouchers:</b>		<u>April 2011 Vouchers</u>	
Sales Tax	\$369,792.77	352,965.40	4.8%
Revenue Sales Tax	56,591.19	46,894.55	20.7%
Local Use Tax	20,424.38	23,589.67	-13.4%
Income Tax	243,815.83	188,191.60	29.6%
PPRT	<u>211,609.75</u>	<u>216,219.87</u>	<u>-2.1%</u>
Total	\$902,233.92	827,861.09	9.0%

**Monthly Comparison**

May 2012 Vouchers	902,233.92	
May 2011 Vouchers	<u>827,861.09</u>	
Difference	74,372.83	9.0%

**YTD Comparison**

YTD 2012 Vouchers	4,024,777.49	
YTD 2011 Vouchers	<u>3,876,217.99</u>	
Difference	148,459.50	3.8%

**Budget Comparison**

2012 Annual Budget:	\$8,930,000.00	
Budgeted Revenue thru 5/31/12:	\$3,848,333.33	
YTD Actual Vouchers	\$4,024,777.49	
Amount Over (Under) Budget:	<b>\$176,444.16</b>	<b>4.6%</b>

Ms. McNeil pointed out that the County revenue is currently 4.6% over budget.

Ms. McNeil stated that on May 25, 2012, \$3,174,039 or 9.5% of the County's \$33,177,827 tax levy was released to taxing bodies in McLean County. The next distribution is scheduled for June 8, 2012.

Ms. McNeil reviewed the Treasurer's Investment Report. She noted that she pulled in the current balances and did not update the rates. Ms. McNeil reported that she cashed out two CD's that came due, namely a \$250,000 CD and a \$500,000 CD. She noted that the rates that came in on those CD's were at .3, .2 and .15. Ms. McNeil indicated that, after the County receives its tax money in, she will go out and bid.

Ms. McNeil reported that the total cash on hand is \$31,956,628.55.

Chairman Owens asked if more tax payments are coming in through the banks or are they being paid in person downtown. Ms. McNeil replied that it is too early to determine. However, she noted that PNC Bank decided to stop collecting taxes. Ms. McNeil expressed her disappointment in that decision and stated that she talked with representatives of the Bank letting them know that their customers have counted on them over the years to collect their taxes. She added that she believes most of those customers ended up coming downtown to pay their taxes.

Mr. Rankin asked if PNC gave a reason for their decision. Ms. McNeil responded that PNC went through a conversion with their teller system and said they could not and would not accommodate collecting taxes. She pointed out that the banks are collection taxes as a courtesy to the County and the residents, and, because things are becoming tighter for the banks, there may be more banks in the future who may decide not to offer this service.

Chairman Owens pointed out that this is not only do the banks offer this service as a courtesy to the County and to their customers, but the County and their customers do business with the bank, which is an advantage to the bank.

Ms. McNeil advised that things are going well with the collection of taxes. She complimented her staff on their skills.

Mr. Butler noted that the banks can actually earn interest on the money that they collect for taxes. Ms. McNeil acknowledged that she sweeps those accounts two or three times during the collection process, but the banks do have the money for a few days at a time and could earn some interest.

Motion by Wollrab/McIntyre to accept and place on file the Month-end Financial Reports from the County Treasurer's Office for the month ending May 31, 2012, as submitted.  
Motion carried.

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

Mr. Bob Kahman, Supervisor of Assessments, reviewed the mandatory establishment of Multi-Township Assessment Districts (MTAD's). He explained that, once a decade, State Law requires that township assessment districts be re-organized to create districts with more than 1,000 in population. According to the 2010 decennial census, the Anchor/Cropsey/Lawndale and Yates (ACLY) MTAD has declined below 1,000 in combined population, with a population of only 953 people. Mr. Kahman noted that the assessor for Gridley and Chenoa already contracts to do the assessing in that area. He indicated that he has proposed that Chenoa be combined with the Anchor/Cropsey/Lawndale and Yates multi-township to bring them up to over 1,000 in population.

Mr. Kahman stated that the legislature long ago set the minimum threshold at 1,000 in population because it is difficult for townships to adequately fund an elected office when the population is small. Mr. Kahman noted that the legislature, along with the County Assessment Officers Association (CAOA) and the Township Officials of Illinois (TOI) have been meeting to discuss raising the population threshold to 2,500 as the cost to fund and attract qualified assessment professionals has grown more difficult. Currently, approximately one-third of assessment districts across Illinois does not have any candidates for the office and must fill the position in alternate means.

Mr. Kahman indicated that every township has to do a resolution stating that they want to continue to be a township for the next ten years.

Mr. Kahman advised that if any township disagrees with his proposal for the reorganization, they must offer a counter proposal. He indicated that the townships must notify him of their acceptance or counter proposal by September 15, 2012. He stated that on or before October 15, 2012, it is his duty to determine whether any proposed alternatives meet MTAD conditions as set forth in statute. Mr. Kahman indicated that, historically, the township boards will work out any counter proposals among themselves. The County Board is, in a sense, the "court of last resort" in the unlikely case where the MTAD's cannot be agreed upon locally. Mr. Kahman stated that the department will then circulate the MTAD's and file them with the Secretary of State.

Mr. Kahman advised that it is important to note that this once a decade process sets the assessment district for the next regular election. In this case, due to the timing of the release of the census date, the new map will be effective for the 2017 township assessor election, which sets the office for the term that runs from January 1, 2018 through December 31, 2021.

Mr. Kahman reiterated the difficulty for Townships to find assessors. He noted that it costs \$2,500 to become certified as an assessor before getting elected and then you might get paid \$3,000 a year and people are usually mad at you.

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

Chairman Owens indicated that he will move the County Auditor and Audit report to the end of the agenda.

Mr. Bill Wasson, County Administrator, advised that, based upon an increasing level of personnel turnover within County Government, and to provide Elected and Appointed Department heads with additional time to complete background reviews and interviews, he recommended that the following modification to the guidelines of the County Administrator's Office for administrating the current Budget Policy:

Section Five (5) iv. of the Hiring Guidelines established in June, 2010 be revised to allow for the posting of positions prior to critical hiring being approved by the Finance Committee of the County Board.

5. Consideration for an exception to the hiring freeze will be given to positions based upon critical necessity to departmental work. The agency should review:
  - i. Is the vacant position critical?
  - ii. Can the critical work be redistributed to other staff?
  - iii. A written justification requesting an exception must be submitted to the County Administrator's Office, which will then make a determination based upon the aforementioned factors.
  - iv. No employment action or ~~position posting~~ will occur before an exemption request is approved.
  - v. The County Administrator's Office will provide monthly updates to the Finance Committee.

Mr. Wasson stated that this revision is consistent with the Budget Policy adopted by the County Board May 15, 2012 which requires that "In order to fill an open position that is currently vacant or becomes vacant prior to December 31, 2013 an Elected Official or Department head must request approval and authorization from the Finance

Committee. The recommendation(s) of the Finance Committee will be presented to the Executive Committee for review and approval.”

Mr. Wasson pointed out that this reasonable modification makes it possible for Department Heads and Elected Officials to post a position so that they can begin the process of evaluating candidates with the understanding that they cannot offer the position to a candidate. He indicated that this should lessen or eliminate the need for special Financial or Executive Committee meetings.

Mr. Wasson stated that the following is a list of critical personnel position requests which have been received by the County Administrator’s Office through May 31, 2012. All positions listed below are budgeted and funded through the end of FY 2012.

Supervisor of Assessments Office

- 1) Request to Fill a 1.0 FTE Office Support Specialist I position that has been vacated.

The Supervisor of Assessments Office has previously had a 1.0 FTE reduction in the January, 2009 Budget and an additional 1.0 FTE position reduction in January 2010 Budget. The vacated position has taken on a portion of the redistributed workload of these two FTE reductions.

State’s Attorney’s Office

- 1) Request to Fill a 2.0 FTE Assistant State’s Attorney position that will be vacated within the next 30 days.

The State’s Attorney’s Office has previously had a 1.0 FTE criminal division reduction in the January, 2010 Budget and an additional 1.0 Assistant State’s Attorney FTE position reduction in June 2010. The vacated positions have taken on a portion of the redistributed workload of these two criminal division FTE reductions.

**NOTE:** There is a revision to this request from 1.0 FTE Assistant State’s Attorney position to a 2.0 FTE Assistant State’s Attorney position.

Circuit Court

- 1) Fill 1.0 FTE Judicial Secretary Position which has been vacated.

The Circuit Court currently has 11.0 FTE judicial secretaries to serve the 13 judges and one part-time hearing officer. The Circuit Court Secretary position is responsible for data entry in the case management system, coordinating scheduling for the judge, preparing

orders and other legal memoranda, coordinating jury calendars with the other justice system offices, and providing information to the public and attorneys via phone, email and in person. Circuit Court secretaries are also tasked with assisting with the oversight of the judicial libraries, department budget, marriages and other administrative tasks.

The following position(s) are identified as falling under the “contracted services-grant funding exemption” section and the “critical patient care exemption” section of the hiring freeze guidelines and is budgeted for 2012.

#### Health Department

- 1) Fill 1.0 FTE Office Support I Position which has been vacated.

The OSS I position within the McLean County WIC program fulfill a critical role in the federally funded grant program. The WIC program maintains five OSS I positions to sustain program growth and client load and clinic check in functions for the WIC, Immunization and Dental programs.

The WIC program funding is dependent on caseload achievement. A reduction in OSS I positions within the program would result in seeing fewer clients per day, effectively reducing the caseload achieved rate and putting funding for FY12 in jeopardy. The WIC program serves McLean County’s most vulnerable low income population: infants, children up to the age of five and pregnant women.

#### Nursing Home

- 1) Fill 1.0 FTE Certified Nursing Assistant Position which has been vacated.
- 2) Fill 2.0 FTE Domestic Services Assistant Positions which have been vacated.

The Nursing Home has filled 1 Certified Nursing Assistant position and 2 Domestic Services Assistant Positions which have been vacated and filled to provide sufficient personnel to meet critical minimum staffing levels required to meet state guidelines. This position falls under the “critical patient care exemption” section of the hiring freeze guidelines.

#### Nursing Home

- 3) Fill 1.0 FTE Licensed Practical Nurse Position which has been vacated.

The Nursing Home has filled 1 Licensed Practical Nursing position that has been vacated and filled to provide sufficient personnel to meet critical minimum staffing levels required to meet state guidelines. This position falls under the “critical patient care exemption” section of the hiring freeze guidelines.

Mr. McIntyre indicated that he thought the State's Attorney was planning to replace three Assistant State's Attorneys. Mr. Ron Dozer, State's Attorney, responded that one of the positions can be considered next month.

Mr. Rankin stated that he felt it was more productive for a Department Head or Elected Official to have approval to hire before going through the process of posting the position and interviewing candidates. Chairman Owens replied that it is a timing issue; by allowing the Department Heads and Elected officials a chance to start the process before final approval, they will be further along in the process to potentially hire the new employee as soon as the Finance Committee and Executive Committee approve the position.

Motion by Butler/Rankin to Recommend Approval of the  
Critical Personnel Hiring Requests as amended.  
Motion carried.

Mr. Wasson presented a request for approval of an Ordinance for Prevailing Rate of Public Works Wages for McLean County. He noted that each year, typically in June, McLean County is required to adopt the prevailing rate of public works wages that governs any construction capital projects with which the County may be involved. Mr. Wasson added that contractors that the County employs are required to pay the prevailing wage as set by the Illinois Department of Labor.

Motion by McIntyre/Rankin to Recommend Approval of an  
Ordinance for Prevailing Rate of Public Works Wages for  
McLean County.  
Motion carried.

Ms. Michelle Anderson, County Auditor, presented the Popular Annual Finance Report, December 31, 2011, which is an annual report that is being presented for the first time this year. She explained that this report provides a summary of the County's revenue, spending, and financial condition. Ms. Anderson added that the report also includes supplementary information on local economic conditions, major accomplishments by the County government, and other reference information. She noted that her goal in producing this report is to communicate the County's financial operations in a straightforward and easy-to-read format for a better understanding of McLean County government.

Ms. Anderson stated that the information in this report is derived from McLean County's Comprehensive Annual Financial Report (CAFR) for the Fiscal Year ended December 31, 2011, and is not intended to replace the CAFR. The report is simply a means of increasing public confidence in the County government.



Ms. Anderson reported that she recently placed the Committee Financial Reports dating back to January 1, 2010 on the County Website for public perusal.

Motion by Butler/Wollrab to Recommend Approval to place on file the Popular Annual Financial Report, dated December 31, 2011.

Motion carried.

Ms. Anderson reviewed two audits, namely "Duplicate Payment Audit Summary" and "State's Attorney Imprest Fund Audit Summary." She pointed out that the "State's Attorney Imprest Fund" has had prior findings from 2007. Ms. Anderson stated that she has every confidence that Mr. Dozier will follow the recommendations of the Auditor's Office.

Mr. Wasson presented the Fiscal Year 2011 Audit and Comprehensive Annual Financial Report as prepared by McGladrey and Pullen LLP. He introduced Ms. Michelle Anderson, County Auditor, and Ms. Becky McNeil, County Treasurer. Mr. Wasson asked Ms. Anderson to introduce the McGladrey and Pullen representative.

Ms. Anderson introduced Ms. Heidi Hobkirk, Director, McGladrey and Pullen. She noted that McGladrey and Pullen have provided the outside audit for five years.

Ms. Hobkirk advised that McGladrey & Pullen audited the financial statements of McLean County for the year ended December 31, 2011 and issued their report dated May 24, 2012.

Ms. Hobkirk distributed a graphical presentation for review of the 2011 Comprehensive Annual Financial Report (CAFR). Ms. Hobkirk noted that the first thing on the Agenda is "Auditor Communications," which she will discuss, as well as the December 31, 2011 financial performance, and the Audit letters and compliance report.

Ms. Hobkirk indicated that the letter covers the auditor's responsibilities under three sets of Professional Standards. She explained that this is where McGladrey and Pullen is communicating that they performed the audit in accordance to the following accounting standards:

- Generally Accepted Accounting Principles, which tells you whether your financial statements are materially correct or not. McLean County received an "unqualified opinion," which is a clean opinion or the best opinion you can receive.
- Governmental Auditing Standards where the internal control is reviewed. There were no material weaknesses or significant deficiencies, or compliance findings.

- The Single Audit, which is over the Federal grants. Under that audit, there were no findings, significant deficiencies or material weaknesses.

Ms. Hobkirk indicated that, under “Accounting Practices,” the County implemented two new GASB standards, including:

- GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, issued March 2009. This Statement improves the usefulness of information provided to financial report users about fund balances by providing clearer, more structured fund balance classifications, and by clarifying the definitions of existing governmental fund types. Fund balance information is among the most widely and frequently used information in state and local government financial reports. The GASB developed this standard to address the diversity of practice and the resulting lack of consistency that had evolved in fund balance reporting. To reduce confusion, the new standard establishes a hierarchy of fund balance classification based primarily on the extent to which a government is bound to observe spending constraints. As described in Note 16 to the basic financial statements, the County reclassified the fund balances for all governmental funds and restated the fund balance of the following funds as a result of the implementation of this Statement: General Fund \$1,176,193, Nursing Home Fund \$1,859 and the aggregate remaining funds \$(1,178,052).
- GASB Statement No. 59, *Financial Instruments Omnibus*, issued June 2010. This Statement updates and improves existing standards regarding financial reporting of certain financial instruments and external investment pools. Specifically, this Statement provides financial reporting guidance by emphasizing the applicability of SEC requirements to certain external investment pools, addressing the applicability of GASB 53, *Accounting and Financial Reporting for Derivative Instruments*, and applying the reporting provisions for interest-earning investment contracts of GASB 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. This statement required additional disclosures for the County’s investment in an external investment pool in the current year.

Ms. Hobkirk stated that the next item is to remind the Committee that all financial statements have managements and judgments included in them. She noted that Page 4 and 5 of the “Report to the Finance Committee” goes into detail on which estimates were reviewed in detail and that they did concur with management’s assumptions and estimated calculations.

Ms. Hobkirk indicated that they found no audit adjustments this year through the audit process. She added that there are some attached to the Representation Letter and those were received from either the Auditor's Office or the Treasurer's Office after fieldwork began, which is the result of timing issues of information.

Ms. Hobkirk stated that there were no "Disagreements with Management," no "Consultations with Other Accountants," no "Significant Issues Discussed with Management," and no "Difficulties Encountered in Performing the Audit."

Ms. Hobkirk reviewed the Revenue for all Governmental Funds, and does not include the Nursing Home which is an Enterprise Fund. She noted that there is an overall increase in revenue of \$1.9 million or 2.5% from the prior year. The area with the largest increase is the Intergovernmental, which was due to some increases in state grants, such as the \$1.1 million from IDOT and a Special Bridge Program of about \$820,000. Ms. Hobkirk pointed out that Property Taxes did increase this due to the assessed values increasing.

Ms. Hobkirk reviewed the Expenditures for the same Governmental Funds. She reported that, overall, expenditures increased about \$6.5 million or 9%. Ms. Hobkirk pointed out that General Government increased due to several factors, including an increase in Worker's Compensation and General Liability. Highways and Streets increased partly due to road and highway projects, which included the IDOT GIS Grant of \$1.1 million mentioned earlier, as well as some increased engineering costs and township bridges.

Ms. Hobkirk noted that Capital Outlay decreased this year, which is just a fluctuation from year to year in the different projects and the timing of those projects.

Mr. Butler asked what is the Debt Service. Ms. Hobkirk replied that Debt Service is the principle and interest payments on the capital leases, including the PBC loans.

Ms. Hobkirk reviewed the Nursing Home Balance Sheet. She stated that the assets increased due to an increase of the receivable from the State of Illinois. Ms. Hobkirk noted that the Liabilities decreased because the County's payable to the State decreased by approximately \$330,000 compared to last year. She added that the increase in the assets is the change in the revenue and expenditures.

Ms. Hobkirk reviewed the Operations of the Nursing Home. She indicated that Operating Revenues increased significantly, one increase being the \$1.4 million being received from the State related to services that were October 2009 and prior. Also, there was an increase in patient days in this year compared to last year.

Ms. Hobkirk stated that, while Operating Revenues did increase, the Expenditures maintained. Also, the Non-operating and Transfers were similar in both years.

Ms. Hobkirk indicated that the blue line on the chart represents the net income or loss from the Nursing Home. She reported that in the prior year there was a loss and the current year showed an income. Ms. Hobkirk noted that even if the one-time payment of \$1.4 million was taken out, there was still a net income of \$77,000. She added that the Nursing Home does have net assets of \$10 million to cover any losses.

Ms. Hobkirk noted that McGladrey & Pullen also provides an audit of the internal control systems within the County and tests them to make sure they are functioning as designed. Ms. Hobkirk stated that, within that audit, it is possible to receive three difference levels of findings, as follows.

- A *Control Deficiency* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A deficiency in design exists when a control necessary to meet the control objective is missing, or when an existing control is not properly designed so that even if the control operates as designed, the control objective would not be met. A deficiency in operation exists when a properly designed control does not operate as designed or when the person performing the control does not possess the necessary authority or qualifications to perform the control effectively.
- A *Material Weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the financial statements will not be prevented, or detected and corrected on a timely basis.
- A *Significant Deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Ms. Hobkirk advised that there were no “finding” in the testing of four specific programs. She noted, however, that one *Control Deficiency* was identified as follows:

- The Facilities Management Department (the Department) did not adhere to the County’s Procurement Policy for the Energy Efficiency and Conservation Block Grant project which was concluded to be a single project at multiple locations including the Law and Justice Center and the Juvenile Detention Center. The materials purchased for this project were approximately \$64,000. The County’s

policy states purchases exceeding \$30,000 must be made by formal bid which includes a public notice advertisement requesting sealed bids, written specifications, instructions to vendors, and bid tabulation sheets. The Department did solicit quotes from three different local vendors for the bulbs and ballasts for this project but did not publish a public notice to request formal bids or receive formal bids. We recommend that the Department adhere to County policy and if exceptions are necessary they receive the appropriate written approval.

Ms. Hobkirk thanked Ms. Anderson, Ms. McNeil, and their staff, as well as all of the other Departments in the County who helped work through the audit process.

Chairman Owens asked if there were any questions. Hearing none, he called for a motion to accept these reports.

Ms. Wollrab asked what is the standard recommendation on how long an organization should keep the same Outside Audit team. Ms. Anderson replied that there is no standard recommendation. However, the County has typically kept the same firm for six years, although the previous firm was used for nine years, due to the implementation of GASB 34. She advised that we are completing year five with McGladrey & Pullen. Ms. Anderson noted that Peoria County kept the same firm for over 30 years.

Mr. Wasson stated that this issue will be discussed with the Finance Committee as we begin to prepare for the next contract period.

Ms. Anderson advised that once the CAFR and Single Audit Report have been approved by the County Board, they will be available for review on the County Website. She added that the rest of the County Board members will receive the audit material in their Board packets.

Mr. McIntyre indicated that he is gratified to see that the County has a county nursing home with a net income. He asked what experience McGladrey & Pullen has had with other county nursing homes. Ms. Hobkirk replied that many of the counties who still have a nursing home have them as governmental funds, which means that they don't expect them to be self-sustaining. She stated that the fact that McLean County still has a nursing home as an Enterprise Fund speaks volumes for the County.

Motion by McIntyre/Wollrab to accept and place on file the Comprehensive Annual Financial Report for the Fiscal Year Ended December 31, 2011 and the Single Audit Report for the Fiscal Year Ended December 31, 2011.  
Motion carried.

Chairman Owens asked if there were any additional questions or comments. Hearing none, he thanked Ms. Hobkirk, Ms. Anderson and Ms. McNeil.

Mr. Rankin asked why it is necessary to hire an Outside Auditor when there is an Elected Official who does the auditing. Mr. Wasson replied that the County is required by State Statute to have an Outside Audit. Chairman Owens added that he believes that having an outside audit shows due diligence.

Mr. Wasson pointed out that the Outside Auditors provide a snapshot audit of the County. Mr. Butler indicated that it is not the job of an outside auditor to look for fraud or to perform daily auditing responsibilities.

Ms. Wollrab referred to the report of Ms. Hobkirk that the General Government expenditures increased partly due to an increase in Worker's Compensation and General Liability. She indicated that she thought the Worker's Compensation expenses were going down. Chairman Owens replied that since "snapshot" of 2011 expenses, the Worker's Compensation expenses have gone down. Mr. Wasson added that this amount includes expenditures from the estimated reserves that have to be maintained based upon previous Worker's Compensation claims.

Chairman Owens presented the May 31, 2012 Finance Committee bills for review and approval as transmitted by the County Auditor. The Finance Committee bills include a Prepaid Total of \$885,243.78 and a Fund Total that is the same.

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Motion by Butler/Wollrab to recommend approval of the Finance Committee bills as of May 31, 2012 as recommended by the County Auditor.  
Motion carried.

Chairman Owens presented the May 31, 2012 Nursing Home bills for review and approval as transmitted by the County Auditor. The Nursing Home bills include a Prepaid Total of \$294,880.31 and a Fund Total that is the same.

Motion by McIntyre/Rankin to recommend approval of the Nursing Home bills as of May 31, 2012 as recommended by the County Auditor.  
Motion carried.

Mr. Dozier reported that he was informed by Mr. Don Everhart, Circuit Clerk, that the Legislature approved an Act that went into effect June 1<sup>st</sup> that creates a State's Attorney's Automation Fund of a \$2.00 fee on all criminal cases, including traffic. He noted that this is the same type of Automation Fee that the Circuit Clerk's Office has been receiving for a number of years. Mr. Dozier indicated that this will amount to a significant amount of money that can be used for hardware, software, research, development costs and personnel related thereto. He noted that the County Board does not have to take any agenda action on this item today.

Chairman Owens advised that the July Finance Committee Meeting falls on the Fourth of July. After a brief discussion, the Finance Committee Meeting was rescheduled to Monday, July 2, 2012 at 4:00 p.m.

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

Respectfully Submitted,

Judith A. LaCasse  
Recording Secretary

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