

Minutes of the Finance Committee

The Finance Committee of the McLean County Board met on Wednesday, August 1, 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, O'Connor (4:04 p.m.), Wollrab, McIntyre and Rankin

Members Absent: None

Other Members Present: None

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

Department Heads/
Elected Officials
Present:

Mr. Phil Dick, Director, Building & Zoning; Ms. Jennifer Ho, Risk Management; Ms. Michelle Anderson, County Auditor; Mr. Matt Riehle, Director, Nursing Home; Ms. Kathy Michael, County Clerk; Mr. Don Everhart, Circuit Clerk

Others Present: Ms. Laura Dick, Director, SHOW BUS

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

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

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

Mr. Phil Dick, Director, Building & Zoning, presented a request for approval to proceed with the Technical Studies Grant from the Illinois Department of Transportation to study the feasibility of a Rural Mass Transit District for public transportation for SHOW BUS. He reminded the Committee that the application for the Technical Studies Grant was reviewed by the Finance Committee on August 3, 2011 and it was approved by the County Board on August 16, 2011.

Mr. Dick stated that, after the contract was executed, a Request for Proposal (RFP) was submitted to IDOT for review. He indicated that, during the review, IDOT combined the goals and objectives with the project tasks and renamed the section "Project Tasks." In addition, the goals and objectives were substantially revised.

Mr. Dick stated that County staff and Regional Planning staff reviewed the IDOT RFP's and found them "non-responsive" because IDOT did not come up with the kind of study that was in the original application.

Mr. Dick advised that IDOT revised the budget total from \$14,400 to \$100,000 and removed the local funds of \$3,600. He indicated that IDOT's RFP's did not result in a study that would provide the County with information on the consequences of formation of a rural transit district. He stated that Ms. Dick is available to answer any questions.

Mr. Dick indicated that he is asking the Committee to confirm that staff is doing the right thing in terms of calling the RFP's "non-responsive," and to request that IDOT modify the Request for Proposals to be sent out again so that it would result in a study that would be helpful to the County.

Chairman Owens asked if the State may look negatively on this request. Ms. Laura Dick, Executive Director, SHOW BUS, replied that when you issue an RFP and get the proposals back and they don't meet the criteria, it is not uncommon to call it "non-responsive" and start all over again. She added that it is a fairly standard procedure that IDOT will likely understand, especially since they, themselves, began to modify the scope of what was originally requested.

Motion by Wollrab/Rankin to Recommend rejecting all RFP Proposals as "Non-Responsive" and Proceed with issuing a new RFP for the Technical Studies Grant from the Illinois Department of Transportation to Study the Feasibility of a Rural Transit District.
Motion carried.

Ms. Wollrab indicated that she attempted and was unable to find a schedule for SHOW BUS on Google. Ms. Dick replied that SHOW BUS hopes to get a website activated in late fall, which will include schedules.

Ms. Wollrab asked how people learn about the schedule. Ms. Dick responded that she publishes and distributes 1,000 brochures every other month. She added that word does get out and SHOW BUS continues to grow.

Chairman Owens asked if there were any further questions or comments. Hearing none, he thanked Mr. Dick and Ms. Dick.

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

Chairman Owens stated that Ms. Becky McNeil, County Treasurer, was unable to attend the meeting.

Chairman Owens presented a request for approval of a Resolution Authorizing the Chairman of the McLean County Board to Execute a Deed of Conveyance on Parcel 26-35-482-002.

Motion by O'Connor/Rankin to Recommend Approval of a Resolution Authorizing the Chairman of the McLean County Board to Execute a Deed of Conveyance on Parcel 26-35-482-002.

Motion carried.

The Treasurer's Financial Reports for the period ending July 31, 2012, were distributed. The Summary of Tax Vouchers for Sales, Income, Local Use and Personal Property Replacement Tax are as follows:

July 2012 Vouchers:		<u>June 2011 Vouchers</u>	
Sales Tax	\$408,447.30	396,126.39	3.1%
Revenue Sales Tax	51,398.30	45,442.86	13.1%
Local Use Tax	23,287.18	23,402.82	-0.5%
Income Tax	164,610.86	150,051.54	9.7%
PPRT	<u>273,463.69</u>	<u>200,607.88</u>	<u>36.3%</u>
Total	\$921,207.33	815,631.49	12.9%
Monthly Comparison			
July 2012 Vouchers	921,207.33		
July 2011 Vouchers	<u>815,631.49</u>		
Difference	105,575.84	12.9%	
YTD Comparison			
YTD 2012 Vouchers	5,584,332.38		
YTD 2011 Vouchers	<u>5,270,937.19</u>		
Difference	313,395.19	5.9%	
Budget Comparison			
2012 Annual Budget:	\$8,930,000.00		
Budgeted Revenue thru 7/31/12:	\$5,272,916.67		
YTD Actual Vouchers	\$5,584,332.38		
Amount Over (Under) Budget:	\$311,415.71	5.9%	

Chairman Owens pointed out that interest rates remain extremely low.

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

Chairman Owens asked if there were any questions or comments. There were no questions.

Ms. Jennifer Ho, Risk Management, presented the Second Quarter FY'2012 Risk Management Fund Report. She stated that the claims summary of the County's self-insured program as of June 30, 2012 is included in the packet.

Ms. Ho advised that since the First Quarter report, the County has had 16 additional claims, overall, but has closed two existing claims. She noted that \$105,216 has been paid out in claims expenses, and the Reserves have increased by a net of \$202,476. Ms. Ho indicated that the increase in Reserves was due to surgery being needed by two employees when conservative treatment did not produce the needed results. She added that the surgeries were successful.

Ms. Ho stated that case reserves for claims are set to reflect the final expected costs during the life of a claim. She indicated that payments related to the claim will then be paid out of this reserve over the life of the case, until settled. The payout period for claims range from 45 days to seven years or beyond, based on the complexity of the case. Therefore, the County's claims expenses for any fiscal year will include payments for claims incurred in prior years. Ms. Ho noted that claims expenses may be significant for a fiscal year when indicated claims experience for the year is trending downward. She added that claims expenses are also impacted by recoveries against third parties and off-set by credits received from other County sources, such as the credits for private pay from the Nursing Home for their program costs. An increase in reserves is an indication of an adverse claims development, while a reduction in reserves is a positive indicator in claims development.

Ms. Ho indicated that, as shown in Table 2, which is an indicator of the raw claims experience for the first six months, the overall claims experience for the County shows a reduction in the auto and general liability lines of coverage, while the number of workers compensation claims remains in line with that in FY'2011 thus far. She indicated that there have been 31 claims overall as compared to a high of 44 claims in 2008. She noted that the County's work injuries remain mainly of the "Medical-Only" variety, with fewer "Indemnity" claims than in prior years.

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

Chairman Owens presented the Monthly Assessment Status Report as submitted by Mr. Bob Kahman, Supervisor of Assessments. There were no questions on the report.

Ms. Michelle Anderson, County Auditor, reviewed a memorandum on the mailing of accounts payable checks. She advised that to further strengthen control over the accounts payable process, the County Auditor's Office will start mailing all checks cut via the accounts payable system from that office. Ms. Anderson stated that checks will not be regularly returned to individuals or department upon request, as is done now. She added that any supporting documentation departments wish to have mailed with the check (registration forms, remittance copies, letters, etc.) can be included with the check request and will be mailed with the check.

Ms. Anderson stated that exceptions will be made, if the department submits a request to the County Auditor stating a reason for the policy to be waived.

Ms. Wollrab asked if the County uses electronic fund transfers. Ms. Anderson replied that the County does not use electronic fund transfers at this time. She noted that transfers were considered a couple years ago, but because of changing financial systems, it was not initiated. Mr. Wasson stated that this new practice of mailing the majority of checks is being viewed as a step in the process toward electronic transfers. He added that there will be additional benefits to prompt payment if the County goes to electronic payment.

Ms. Anderson reviewed the Quarterly Financial Statements for the Quarter Ended June 20, 2012. She reported that the General Fund has collected 59.8% of the revenues which is good, except the County has already expended through June 59.9%. The Employee Benefit Fund number skews that slightly.

Ms. Anderson stated that Special Revenue Funds are right on track with 50% of revenues collected and only 35% of expenses. The Nursing Home has 59% of revenues of 50% of expenses. Ms. Anderson indicated that any time there is a positive net change in fund balance it means that more is being collected than spent. She added that anything with a negative net change in fund balance means not as much is being brought in as is being spent. Ms. Anderson stated that in some of the Special Revenue Funds, such as the Highway Department, it is expected that the middle two quarters will be heavier in spending.

Ms Anderson advised that the year-to-year statement shows that the County is similar to last year, with General Fund a little ahead and Special Revenue is a little behind.

Ms. Anderson advised that since this is June 30th, it would be expected that departments be at 50%, but there are a few that are not. She pointed out that the County Board is considerably over, which is due to pass-through grant monies and fleet purchases through the year.

Ms. Anderson reported that, this month with the contractual spending up and employee benefits up, the personnel went down to about 54%, and last quarter it was at 60%.

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

Mr. Matt Riehle, Director, Nursing Home, presented the Nursing Home Monthly Report. He noted that the census is current 146 residents, with a waiting list of ten individuals.

Chairman Owens asked how the County does on residents who go to nursing homes for a short time for rehab. Mr. Riehle replied that Medicare does not affect the County Nursing Home as much as other facilities. He indicated that Medicare rates will go up 1.8% in October. Mr. Riehle noted that because Medicare pays timely and pays well, many facilities are focused on the short-term rehab. He stated that short-term rehab is not the focus of the County Nursing Home. Mr. Riehle pointed out that more and more facilities are not accepting public aid as a payer source. He indicated that the County Nursing Home's census has increased because many facilities will not accept residents on public aid.

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

Ms. Kathy Michael, County Clerk, presented a request for approval to change polling places in Downs from the Downs Township Building to the Downs Community Fire Protection District's Community Room at 102 W. Main in Downs, IL 61736.

Motion by McIntyre/Rankin to Recommend Approval to Change Polling Places in Downs from the Downs Township Building to the Downs Community Fire Protection District's Community Room at 102 W. Main in Downs, IL 61736.
Motion carried.

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

Mr. Bill Wasson, County Administrator, reviewed the corrected list of critical personnel position requests which have been received by the County Administrator's Office through July 26, 2012. All positions listed below are budgeted and funded through the end of FY 2012.

Health Department

- 1) Request to fill a 1.0 FTE WIC Nutritionist position that has been vacated.

The resignation of a WIC Nutritionist has created a 1.0 FTE vacancy in the Health Department WIC program. WIC is a federally funded program. The nutritionist positions are critical to fulfilling the federal staffing guidelines of 1 certified health professional (CHP) for every 1000 WIC clients. The current WIC caseload is 3002 which requires 3 CHP's to meet federal guidelines. The loss of a nutritionist position would put the WIC program below the minimum number of CHP's and could jeopardize program funding.

Facilities Management

- 1) Request to fill a 2.0 FTE custodial positions that have been vacated.

The transfer of one custodial employee from the Health Department to the Law and Justice Center Lobby Security Screener position and the retirement of one custodial employee assigned to the Law and Justice Center has created two custodial position vacancies. Facilities Management has reduced staff over the years and now has the minimum number of custodians necessary to insure that the daily workload for cleaning gets done. This number included the two custodians who transferred to court security and resigned. Both of these positions must be filled to manage the daily work load for cleaning.

Circuit Clerk

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

The resignation of a staff member has created a vacancy in the Traffic Division. The vacated position primarily provides customer service counter support, sets court dates, enters dispositions and sentences, assesses fines and costs, receipts money, enters appearances and provides phone support as well as assisting in a portion of work previously performed by 1.0 FTE eliminated by the 2009-2010 budget reductions. Other duties as assigned.

2) Request to fill a 1.0 FTE Office Support Specialist I position that has been vacated.

The termination of a staff member has created a vacancy in the Criminal Division. The vacated position provides data management support, files all documents received for felony files, makes docket entries, processes all felony arraignments, prepares complete list of court dockets, retrieves subpoena returns and pre-sentence investigations, assists in preparing court files for week-end custodies as well as assisting in a portion of work previously performed by 1.0 FTE eliminated by the 2009-2010 budget reductions. Other duties may be assigned.

Nursing Home

1) The following positions were vacated and refilled pursuant to the patient care exemption: 3 FTE Certified Nursing Assistants, 1 FTE Domestic Service Assistant, 1 FTE Food Services Assistant, 3 FTE Licensed Practical Nurses.

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

Chairman Owens presented the July 31, 2012 Finance Committee bills for review and approval as transmitted by the County Auditor, as well as a transfer of \$5,000 in the Health Department Fund 0107. The Finance Committee bills include a Prepaid Total of \$584,395.46 and a Fund Total that is the same.

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Motion by O'Connor/Wollrab to recommend approval of the Finance Committee bills as of July 31, 2012 as well as a transfer of \$5,000 in the Health Department Fund 0107 as recommended by the County Auditor.
Motion carried.

Chairman Owens presented the July 31, 2012 Nursing Home bills for review and approval as transmitted by the County Auditor. The Nursing Home bills include a Prepaid Total of \$376,992.49 and a Fund Total that is the same.

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

There being nothing further to come before the Committee at this time, Chairman Owens adjourned the Finance Committee at 4:32 p.m.

Respectfully Submitted,

Judith A. LaCasse
Recording Secretary