

Minutes of a Special Finance Committee Meeting

The Finance Committee of the McLean County Board held a special meeting on Wednesday, October 10, 2012 at 2:00 p.m. in Room 400 of the Government Center, 115 East Washington Street, Bloomington, Illinois.

Members Present: Chairman Owens (left 4:20 p.m.), Members Butler, O'Connor, Wollrab, McIntyre (2:06 p.m.) and Rankin

Members Absent: None

Other Members Present: None

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; Mr. Bob Kahman, Supervisor of Assessments; Mr. Matt Riehle, Director, Nursing Home; Mr. Jerry Vogler, Director, Veterans Assistance Commission; Mr. Paul Shannon, Executive Director, Bloomington Election Commission; Mr. Walt Howe, Health Department Administrator; Ms. Joan Naour, Director, Correctional Health Service; Jennifer Ho, Risk Management; Ms. Kathy Michael, County Clerk; Mr. Lee Newcom, Recorder

Others Present: Ms. Connie Clifford, Chief Deputy Assessment Officer, Supervisor of Assessment's Office; Ms. Cathy Dryer, Fiscal Services Supervisor, Health Department; Ms. Maria Pascua, Chief Deputy County Clerk

Chairman Owens called the meeting to order at 2:00 p.m. to review the FY'2013 Recommended Budget.

Mr. Bill Wasson, County Administrator introduced the review of the Fiscal Year 2013 Recommended Budget for the following departments:

County Treasurer – 0001-0004 can be found on pages 24-29 of the FY'2013 Recommended Budget and pages 1-3 of the Summary in the Agenda Packet.

Highlights of the Recommended Budget:

REVENUE:

410.7005 Collector Indemnity Fee: This revenue line was created to recognize revenue to the General Fund, upon the elimination of the Collector Indemnity Fund in 2011.

415.0001 Interest on Investments: This revenue line item account has decreased from \$80,000 in the FY'2011 Adopted Budget to \$50,000 in the FY'2012 Budget. The 2013 Recommended Budget is projected at \$52,500, based upon FY 2011 actual revenue was \$68,134 and YTD revenue.

415.0003 Costs/Interest on Delinquent Taxes: This revenue line item account has increased from \$525,000 in the FY'2012 Adopted Budget to \$560,000 in the FY'2013 Recommended Budget. FY 2011 actual revenue was \$584,061.

415.0400 Interest on Certificates of Deposit: This revenue line item account has decreased from \$70,000 in the FY'2011 to \$50,000 in the FY'2012 Budget and to \$12,500 in the Recommended FY'2013 Budget. This decrease is based on the lower interest rates on Certificate of Deposit investments offered by financial institutions. This is the fifth year in a row interest earnings have declined.

EXPENDITURES:

Personnel:

There is no change in overall staffing level in the FY'2013 Recommended Budget. The budget does recommend the return of accounting staff make-up prior to 2011, including one (1) senior accountant and two (2) accounting specialist II positions. The senior accountant position was changed in anticipation of the Administrative Services Director position existing in the County Administrator's Office.

Mr. Wasson advised that the Finance Committee intends to review Reclassification requests at their November meeting. He indicated that this budget request includes the reclassification of an Accounting Specialist II to a Senior Accountant. This position was changed three years ago as part of the reorganization in the Administration Office, which included the implementation of the Administrative Services Director position, which allowed the position to be slightly downgraded in the Treasurer's Office. Mr. Wasson reminded the Committee of the recommendation to not fill the third position in the Administrator's Office for Fiscal Year 2013. He stated that the tasks associated with this position were reassessed and it is the opinion of both the Treasurer and the County Administrator's Office to reclassify this position in 2013 to a Senior Accountant position.

Materials and Supplies:

All Materials and Supplies line item accounts in the FY'2013 Recommended Budget have been budgeted at the same level or less than in the FY'2012 Adopted Budget with the following exception:

620.0001 Operating/Office supplies: This line item account has increased from \$3,500 in the FY'2012 Adopted Budget to \$3,750 in the FY'2013 Recommended Budget, due to actual costs for tax collection processes.

Contractual:

All Contractual line item accounts in the FY'2013 Recommended Budget have been budgeted at the same levels or less as in the FY'2012 Adopted Budget.

Capital Outlay:

832.0002 Lease/Purchase of Office Equipment: This line item account provides for copy machine in the Treasurer's Office.

Motion by Wollrab/Rankin to recommend tentative approval of the County Treasurer – (0001-0004) FY'2013 Recommended Budget as submitted.
Motion carried.

County Treasurer Collector Automation Fund – 0168-0004 can be found on pages 30-31 of the FY'2013 Recommended Budget and pages 4-6 of the Summary in the Agenda Packet.

Highlights of the Recommended Budget:

Pursuant to Illinois law, the County Board established the County Collector's Automation Fund. This Special Revenue Fund was established to assist the County Treasurer's Office with automation and document storage. Through the collection of an Automation fee, the County Treasurer's Office has available funds which can be used to purchase automated document storage systems, contract for services, purchase capital equipment, and purchase computer hardware and software. As a Special Revenue Fund, the fund must be balanced within the fund.

Mr. Wasson stated that the expenditure for Contract Services 0706.0001 is for the automated tax sale which is mandated now by statute. Ms. Becky McNeil, County Treasurer indicated that this saves an enormous amount of time in her office as well as the County Clerk's Office.

REVENUE:

410.7000 Collector Duplicate Bill Fee: This revenue line item account has been budgeted again at \$2,000 in the Recommended FY' 2013 Recommended Budget.

410.7001 Collector Automation Fee: This revenue line item account has been budgeted at \$18,000 in the FY'2013 Recommended Budget, the same as approved in the FY'2012 Adopted Budget.

400.0000 Unappropriated Fund Balance: This line item account was added in the FY'2009 Recommended Budget. This revenue line item account has been budgeted again at \$0.00 for FY'2013. As of December 31, 2011, the unappropriated fund balance in the County Collector Automation Fund totaled \$34,102.

EXPENDITURES:

Services:

0706.0001 Contract Services: This line item account has been budgeted at \$5,000 in the FY'2013 Recommended Budget to provide for the automated Tax Sale system, as required by recent legislative change.

Transfer to Other Funds:

999.0001 Interfund Transfer: This line item account has been budgeted at \$15,000 in the FY'2013 Recommended Budget. Since Information Technologies provides full support to the Treasurer's Office, the County Treasurer has recommended that the Collector's Automation Fee revenue be transferred to the County's General Fund to help offset the expenses incurred by Information Technologies.

Motion by O'Connor/McIntyre to recommend tentative approval of the Collector Automation Fund – (0168-0004) FY'2013 Recommended Budget as submitted.
Motion carried.

Supervisor of Assessments – 0001-0049 can be found on pages 237-243 of the FY'2013 Recommended Budget Book and pages 7-9 of the Summary in the Agenda Packet.

Highlights of the Recommended Budget:

REVENUES:

407.0006 Supervisor of Assessments Salary Reimbursement: This revenue line-item account has increased from \$39,556 in the FY'2012 Adopted Budget to \$41,336 in the FY'2013 Recommended Budget based upon the anticipated reimbursement to be received from the State for a portion of the Supervisor of Assessments' salary.

410.0031 Sale of Maps, Ordinances: This revenue line-item account has been reduced to \$0.00 due to requirements in changes to Illinois' Freedom of Information Act.

EXPENDITURES:

Personnel:

The FY'2013 Recommended Budget staffing levels remains the same as in the FY'2012 Adopted Budget.

Materials and Supplies:

All Materials and Supplies line item accounts have been budgeted in the FY'2013 Recommended Budget at the same level or less than in the FY'2012 Adopted Budget with the following exceptions:

629.0001 Letterhead/Printed Forms: This line item account has increased from \$45,250 in the FY'2012 Adopted Budget to \$46,812 in the FY'2013 Recommended Budget. This increase is attributable to assessment notice costs.

Contractual:

All Contractual line item accounts have been budgeted in the FY'2011 Recommended Budget at the same level or less as in the FY'2010 Adopted Budget with the following exceptions:

715.0001 Dues/Memberships: This line item account has increased from \$620 in the FY'2012 Adopted Budget to \$800 in the FY'2013 Recommended Budget due to increase in professional association dues.

718.0001 Schooling/Conferences: This line item account has increased from \$7,500 in the FY'2012 Adopted Budget to \$10,500 in the FY'2013 Recommended Budget due to need to provide additional training for new Board of Review Members.

790.0004 Equipment Maintenance Contract: This line item account has increased from \$650 in the FY'2012 Adopted Budget to \$2,000 in the FY'2013 Recommended Budget due to expiration of current maintenance agreement for copier/printer.

Mr. Butler asked why the copier maintenance has increased so significantly. Mr. Wasson replied that the machines were under a five-year lease/purchase agreement, which ran out. He indicated that many departments elected to keep the machines if they are operating well, which resulted in the higher maintenance agreement. He noted that the copy machines are lasting much longer with less printing and more scanning of documents.

Motion by Rankin/Butler to recommend tentative approval of the Supervisor of Assessments – (0001-0049) FY'2013 Recommended Budget as submitted.
Motion carried.

Nursing Home – 0401-0090 can be found on pages 391-402 of the FY'2013 Recommended Budget Book and pages 10-14 of the Summary.

Mr. Wasson indicated that this is a balanced budget where the revenue balances with expenditures. This is the County's only Enterprise Fund, which means that this budget operates more like a business.

Highlights of the Recommended Budget:

REVENUE:

404.0006 Medicare Reimbursement: This line item account has decreased from \$823,875 in the FY'2012 Adopted Budget to \$808,110 in the FY'2013 Recommended Budget. This revenue amount is based on the Nursing Home's projection of the number of Medicare eligible residents and the Medicare reimbursement rate.

404.0014 Meal Reimbursement: This line item account has increased from \$1,469 in the FY'2012 Adopted Budget to \$1,634 in the FY'2013 Recommended Budget. This revenue amount is based on a review of last year's actual expenses and the year-to-date expenditures.

407.0040 Illinois Public Aid/Medicaid: This line item account has increased from \$3,728,804 in the FY'2012 Adopted Budget to \$4,073,400 in the FY'2013 Recommended Budget. This is based upon the implementation of the new formula that the Illinois Department of Public Aid now uses to calculate the Intergovernmental Transfer payment in our FY'2013 budget. The Nursing Home pays this fee and then receives back from the State a higher Medicaid reimbursement. This estimate of Public Aid/Medicaid revenue is based on the Nursing Home's projection of the number of Medicaid eligible residents.

410.0028 Private Pay Patient: This line item account has increased from \$1,866,975 in the FY'2012 Adopted Budget to \$1,973,190 in the FY'2013 Recommended Budget. This proposed increase is based on the projected census of private pay residents. The private pay rate is calculated at \$159.00.

Please NOTE: The revenue projections for Medicare Reimbursement, Illinois Public Aid/Medicaid, and Private Pay are based upon an average census of 139 residents during FY'2013.

415.0001 Interest on Investments: This line item account has decreased from \$20,000 in the FY'2012 Adopted Budget to \$11,733 in the FY'2013 Recommended Budget. This proposed decrease is based on the lower interest earnings available from financial institutions for money market accounts and certificates of deposit.

450.0011 Transfer from Other Funds: This line item account has increased from \$760,856 in the FY'2012 Adopted Budget to \$800,709 in the FY'2013 Recommended Budget. Because Medicare and Medicaid reimbursement do not cover 100% of the Nursing Home's costs to care for a resident, the Nursing Home's budget includes a transfer from the FICA/Social Security Fund and the IMRF Pension Fund. This transfer amount reflects the Board's decision to increase the ratio of private pay residents from 15% to 25%. This transfer of funds also includes a transfer from the Tort Judgment fund to cover that portion of the Nursing Home's general liability, property and workers' compensation insurance that is not 100% reimbursed by Medicare and Medicaid.

EXPENDITURES:

Personnel:

There is No Change in the FTE staffing level in the FY'2013 Recommended Budget.

Mr. Wasson pointed out that one FTE document showed an increase of one FTE, which was in error. The staffing level will remain the same.

Materials and Supplies:

All supplies lines are equal to or less than those in the FY'2012 Adopted Budget, other than the following:

601.0001 Food: This line item has increased from \$354,780 in the FY'2012 Adopted Budget to \$373,030 in the FY'2013 Recommended Budget. This 5% increase is based on a review of last year's actual expenditures and the year-to-date expenditures as of the date the Recommended Budget was prepared.

621.0001 Non-Major Equipment: This line item has increased from \$21,399 in the FY'2012 Adopted Budget to \$74,124 in the FY'2013 Recommended Budget. This increase is based upon the need to make equipment replacements that have been deferred for the past three (3) years.

Contractual:

All contractual lines are at or below a 1% increase from the FY'2012 Adopted Budget, other than the following:

706.0006 Temporary Employment Services: This line item account has increased from \$75,000 in the FY'2012 Adopted Budget to \$85,000 in the FY'2013 Recommended Budget. This increase is based on a review of last year's actual expenditures and the year-to-date expenditures as of the date the Recommended Budget was prepared.

709.0001 Garbage Disposal Services: This line item has increased from \$15,773 in the FY'2012 Adopted Budget to \$16,253 in the FY'2013 Recommended Budget. This increase is in anticipation of increased waste disposal & biohazard waste disposal costs.

Mr. Matt Riehle, Director, Nursing Home, indicated that the increase is due to the cost of medical waste disposal. He noted that Mr. Jack Moody, Director, Facilities Management, is in the process of securing a new contract for disposal services. Mr. Riehle stated that Stericycle, Inc. has had the market cornered on waste disposal and they continue to raise rates.

Mr. Wasson advised that Mr. Moody opened bids for waste disposal and a proposal for the Coroner's Office for medical waste, which is the largest volume medical waste department. He indicated that we have been challenged with the current vendor who continues to raise rates. Mr. Wasson stated that a vendor was found in Aurora, Illinois that made a proposal for the Coroner's waste. The Property Committee is recommending approval of that contract effective next month.

Mr. Riehle stated that the Nursing Home is part of the pilot program with Illinois State University of composting food waste. He noted that there is a slight cost to that effort, but there may be a benefit of savings in waste disposal costs.

701.0001 Advertising/Legal Notices: This line item account has increased from \$13,369 in the FY'2012 Adopted Budget to \$15,600 in the FY'2013 Recommended Budget. This increase is based on a review of last year's actual expenditures and the year-to-date expenditures as of the date the Recommended Budget was prepared.

719.0001 Unemployment Insurance: This line item account has increased to \$53,000 in the FY'2013 Recommended Budget. This increase is based on a review of last year's actual expenditures and the year-to-date expenditures as of the date the Recommended Budget was prepared.

754.0001 Pharmacist Fee: This line item account has increased from \$8,646 in the FY'2012 Adopted Budget to \$8,844 in the FY'2013 Recommended Budget. This increase is based on actual cost for 2012 and the year-to-date expenditures as of the date the Recommended Budget was prepared.

773.0001 Non-Contractual Services: This line item account has increased from \$4,355 in the FY'2012 Adopted Budget to \$285,730 in the FY'2013 Recommended Budget due to re-assignment of account line items.

Capital Outlay:

832.0001 Purchase of Furnishings/Office Equipment: This line item account includes funding to replace televisions; replacement program for beds and bedside tables; purchase lateral file cabinets and office furniture; and replace tables and chairs.

833.0002 Purchase of Computer Equipment: This line item account includes funding to purchase new Personal Computers, network printer/copier, laser printer.

833.0003 Lease/Purchase Computer Equipment: This line item account includes funding for lease/purchase of certain computer network equipment.

835.0001 Purchase of Kitchen/Laundry Equipment: This line item account includes funding to purchase capital equipment including: plate warmers, replace nursing station refrigerators, replace ice machines, replace ice/water dispensers, commercial toasters and small commercial washers.

836.0001 Purchase of Medical/Dental Equipment: This line item account includes funding to purchase equipment including: bedpan sanitizers, physical therapy equipment and replace wheelchairs.

Mr. Rankin questioned the increase in 773.0001 Non-Contractual Services that increased from \$4,355 in the FY'2012 Adopted Budget to \$285,730 in the FY'2013 Recommended Budget. Mr. Riehle explained that this the result of the Save Illinois new bed tax, which charges the Nursing Home \$6.07 per day for all occupied beds minus Medicare days. This includes private pay residents, as well as Public Aid residents with a census of 125. Mr. Wasson stated that this is an example where a new item line will be added in the future to reflect this change.

Mr. Butler asked how much money might be saved on medical waste disposal with the new company. Mr. Wasson replied that he expects the Nursing Home savings may be as much as \$1,000+. Ms. Eisner added that the biggest user of the medical waste disposal is the Coroner's Office.

Motion by Wollrab/O'Connor to recommend tentative approval of the Nursing Home – (0401-0090) FY'2013 Recommended Budget as submitted.
Motion carried.

Cooperative Extension Services – 0133-0088 can be found on pages 342-344 of the FY'2013 Recommended Budget and pages 15-16 of the Summary in the Agenda Packet.

Mr. Wasson noted that there was a modification of that budget, which he distributed.

Ms. Eisner stated that she and Mr. Wasson met with the Director of the Cooperative Extension Service and the County Board members who serve as the Advisory Panel to the Extension Service to review their budget. She indicated that they presented a budget that was similar to last year.

Mr. Wasson noted that the Extension Services, at the request of the Advisory Panel, agreed to evaluate and lower their tax levy so that their tax rate would stay the same as last year. He advised that the proposed tax rate for the tax assessment year 2012 collectable in 2013 would remain at .01481. Mr. Wasson noted that the Extension has a maximum levy of .05, so this is significantly below the maximum levy for the Cooperative Extension Services. This would reduce their budget by \$7,750 to \$530,250.

Ms. Wollrab asked how that would impact services. Mr. Wasson replied that the Extension believes that they can make this modification and still maintain services. He noted that the Extension is also considering looking at new facilities in an attempt to reduce their operational cost.

Mr. Wasson advised that the Regional Office of Education may elect to relocate from the Fairview Building to the fifth floor of 200 W. Front Street.

Highlights of the Recommended Budget:

Pursuant to the referendum approved by the voters in McLean County, the County Board is permitted to levy a property tax in an amount not greater than \$0.05 per \$100 of equalized assessed valuation. To account for the receipt and distribution of the property tax funds for Cooperative Extension, Special Revenue Fund 0133 has been established in the FY'2013 Recommended Budget. Under Illinois law, the County Board is required to approve the proposed tax levy for the Cooperative Extension Service.

REVENUE:

401.0001 General Property Tax: Pursuant to the referendum approved by the voters in McLean County, the County Board is permitted to levy a property tax in an amount not greater than \$0.05 per \$100 of equalized assessed valuation. The Cooperative Extension

Service has submitted a request for a property tax levy in the amount of \$530,250.00. Based on the Supervisor of Assessments' estimate of the County equalized assessed valuation, the proposed tax levy would result in a projected tax rate of \$0.01481 per \$100 of equalized assessed value.

EXPENDITURES:

Contractual Services

761.0001 Cooperative Extension: This line item account has remains at \$530,250,000 in the FY'2013 Recommended Budget, \$7,750 less than the FY'2012 Adopted Budget. This line item accounts for the distribution and payment to the Cooperative Extension Service of the property tax funds levied for Property Tax Assessment Year 2012 and collected in FY'2013.

Motion by Butler/Rankin to recommend tentative approval of Cooperative Extension Services – 0133-0088 FY'2013 Recommended Budget as submitted.
Motion carried.

Chairman Owens asked if there were any additional questions or comments.

Veterans Assistance Commission – 0136-0065 can be found on pages 368-373 of the FY'2013 Recommended Budget and pages 17-19 of the Summary in the Agenda Packet. Mr. Wasson noted that Mr. Jerry Vogler, Director, Veterans Assistance Commission is available to answer any questions.

Highlights of the Recommended Budget:

REVENUE:

401.0001 General Property Tax: This revenue line item account will remain at \$169,283 in the FY' 2013 Recommended Budget. Pursuant to Chapter 55, Illinois Compiled Statutes (2006, 5/5-2006, the County Board is permitted to levy a property tax in an amount not to exceed \$0.03 per \$100 of equalized assessed valuation in counties where a Veterans Assistance Commission has been established.

400.0000 Unappropriated Fund Balance: This account includes \$19,639 to balance the budget. The Fund Balance in the Veterans Assistance Fund was \$102,605 as of December 31, 2011.

EXPENDITURES:

Personnel:

There is No Change in the staffing level in the FY'2013 Recommended Budget.

Materials and Supplies:

All of the Materials and Supplies line item accounts have been budgeted at the same amount or less than the FY'2012 Adopted Budget.

Contractual:

All of the Contractual line item accounts have been budgeted at the same amount or less than the FY'2012 Adopted Budget.

Capital Assets:

832.0002 Lease/Purchase Office Equipment: This line item account includes funding for the principle payment due on the Lease-Purchase agreement for the Office copier.

Ms. Wollrab asked how many phone calls come into the VA office. Mr. Vogler replied that they receive about 1,700 incoming calls and 2,500-2,600 outgoing calls per year. Ms. Wollrab asked how many people come into the office. Mr. Vogler stated that there are 11,500 veterans in the County, and 1,716 of them have VA medical cards and actively use the medical services in Peoria, Danville or Indianapolis. He noted that 700-800 veterans come into the office a year for various reasons.

Ms. Wollrab asked if the VA receives any contributions. Mr. Vogler replied that small contributions are received occasionally. He noted that one donation was used to purchase a van to take veterans to medical facilities.

Ms. Wollrab asked if the VA Services do any fundraising activities. Mr. Vogler replied that they do not. He advised that McLean County receives almost \$25 million a year from the VA.

Mr. Vogler noted that the Homeless Coordinator is now fully established at the Danville VA Medical Center. He indicated that because they are full at the VA Medical, they are now transferring them to Bloomington and they have a contract with Home Sweet Home Mission to pay a per diem to keep them there for up to 18 months if they enroll in a particular program. Mr. Vogler stated that he got a phone call from Chestnut Health

Systems that they are negotiating with the VA to take up some of their spare beds. He anticipates that we will see more homeless veterans coming here. Mr. Vogler indicated that at least 50% of those are what are called "travelers." These are people who have no intention of ever becoming permanent anywhere; they use up their benefit cycle and then move on to the next place where they can get assistance.

Motion by McIntyre/O'Connor to recommend tentative approval of the Veterans Assistance Commission – (0136-0065) FY'2013 Recommended Budget as submitted.
Motion carried.

Bloomington Election Commission – 0001-0048 can be found on pages 233-236 of the FY'2013 Recommended Budget and pages 20-21 of the Summary in the Agenda Packet.

Mr. Wasson pointed out that, because there is a projected a decrease in the Equalized Assess Valuation (EAV) for the first time since 1985, the Election Expense Reimbursement, which is based up the EAV, goes down slightly for 2013.

Highlights of the Recommended Budget:

REVENUE:

410.0037 Reimbursement for Services: This revenue line item account has been budgeted at \$100,000 since 2010. The amount remains the same in the FY'2013 Recommended Budget. This amount is based on the anticipated payment to be made to the County in December, 2012 by the Bloomington Election Commission, as confirmed by the Director of the Bloomington Election Commission.

EXPENDITURES:

Personnel:

There is No Change in the staffing level in the FY'2013 Recommended Budget.

Contractual:

775.0001 Election Expense Reimbursement: Pursuant to Illinois law, the County is required to fund the expense of the City of Bloomington Election Commission. This requirement was imposed on the County when the separate property tax levy for the conduct of elections was abolished. The proposed decrease in the contractual line item is consistent with the projected overall decrease in the County's adjusted equalized assessed valuation. This line item account decreases from \$470,906 in the FY'2012 Adopted Budget to \$468,086 in the FY'2013 Recommended Budget.

Mr. Wasson stated that, under statute, the County is required to pay the salaries of the Director and Assistant Director, as well as the Election Commission, and also reimburse for election expenses based upon the County's adjusted EAV.

Motion by Wollrab/O'Connor to recommend tentative approval of the Bloomington Election Commission – (0001-0048) FY'2013 Recommended Budget as submitted.
Motion carried.

Health Department can be found on pages 244-304 of the FY' 2013 Recommended Budget and pages 22-30 of the Summary. Mr. Howe introduced Ms. Cathy Dryer. He stated that he would begin with the three property tax supported funds, namely Fund #0110, Persons with Developmental Disabilities; Fund #0111, T.B. Care and Treatment, and Fund #0112, which is the Health Department's largest fund.

The following is the 2013 Health Department Budget Overview as submitted and presented by Mr. Walt Howe, Health Department Administrator.

Mr. Howe advised that the Health Department total operating budget for all funds for Fiscal Year 2013 is projected to be \$7,904,606 or a 2.5% increase over Fiscal Year 2012. Mr. Howe indicated that the target populations and services provided by the Health Department are population-based services, meaning they are serving all of the people in McLean County. He pointed out that there is approximately a 12.7% increase in population in McLean County between 2000 and 2010. The population that are primary targets of the Health Department, individuals living at the Federal Poverty Level or below along with those individuals who are uninsured or underinsured, has grown 40% in McLean County between 2000 and 2010. He noted that there are 36,000 individuals in McLean County that are either publicly insured or have no insurance.

Questions and comments follow this report:

This budget summary has been created to provide the Finance Committee with a brief outline of significant facts of the Health Department's 2013 budget. A conference was held with the County Administrator's Office on July 18th to review revenue projections, personnel, commodity, contractual and capital line items. The budget was agreed upon as presented. Staff then presented the proposed 2013 budget to the McLean County Board of Health, Tuberculosis Care and Treatment Board and Board for Care and Treatment of Persons with a Developmental Disability on September 12th. Those boards voted to approve the budget as presented.

As in the past, the objective of the County Administrator's Office is to maintain funding for county services while not increasing the overall property tax rate. We believe this budget will assist in allowing the Administrator's Office to meet their goal while meeting service needs at the same time.

The Health Department's budget contains 3 property tax levies that are requesting a total of \$4,015,166 to fund the 377 Fund, the Tuberculosis Care and Treatment Fund and the Health Fund.

The 377 Fund requests \$679,779 to provide for community support services to County residents who are mentally retarded or have a developmental disability. The Board uses the tax dollars to partially fund different community services that encourage early intervention, treatment and normalized living in the least restrictive setting practical.

The TB Fund is requesting \$292,136 to reach a goal of controlling TB and preventing its spread among McLean County residents. The program offers TB skin tests, chest x-rays, blood tests, medications and physician services to County residents that meet service specific eligibility criteria and hospital care is provided for eligible patients.

The Health Fund is requesting \$3,043,251 which includes \$182,064 for Drug Court. The McLean County Drug Court was established in 2006 and is funded through federal and local resources. A component of the Drug Court concept is court-ordered treatment that Chestnut Health Systems developed a protocol for to treat offenders referred through the court. The annual contract amount has increased at an average rate of 2% each year with the Health levy being increased to underwrite the costs. With the 1.2% decrease in the EAV the Health levy was not able to underwrite the cost of the 2% increase they have received in the past. The 2013 budget calls for a contract amount of \$182,064 which is level funding from 2012. The Health Fund will use the remaining \$2,861,187 to fulfill the Health Department's purpose of assuring conditions conducive to good health and to provide leadership in promoting and protecting the health of County residents.

For the 2nd time since 1994, the combined tax rate for the 3 levies has not declined. But recognizing the significant challenges the County faces in trying to maintain services with a rate consistent with the previous year, the Health Department worked diligently to raise revenues from alternate sources and keep the FY13 tax rate at the targeted FY 12 level. In order to accommodate the reduction in the EAV and to continue to meet the service needs of the community, the tax rate will remain at the same level as 2012.

HEALTH FUND

The Health Fund is comprised of the Mental Health, Environmental Health, Community Health Services, Administration, Immunization, Health Promotion and Drug Court programs that carry out the Health Department's mission of protecting the health of County residents. All of the programs work together to provide the development of local health policies, the assessment and analysis of health conditions, prevention and control of disease, the enforcement of state laws and local ordinances pertaining to health(where applicable), access to personal health care service, minimize the adverse impact of diseases and disabilities, coordinate and plan with other entities for a comprehensive community health system, and to conduct programs in accordance with Illinois Department of Public Health certification standards for local health departments.

REVENUE

The Health Fund's \$4,523,234 Public Health and Animal Control Service budget is supported by revenue from Property Taxes, Charges for Service, License, Permits and Fees, Intergovernmental and Miscellaneous revenues. A strategic planning issue for the Board of Health has been to continually examine the revenue mix of property tax and service fees in the operation of the Health Department.

During 2011 revenues were \$320,250 greater than the expenditures and we were able to put that amount into the fund balance at the end of the year. Over the last 11 years the department's fund balance has grown an average of 17% each year due to conservative expenditures and prudent revenue projections. The trend has allowed the Health Department to return a portion of the fund balance increase to taxpayers as part of succeeding budgets. Currently the department uses its unencumbered fund balance to provide sufficient cash flow prior to collection of taxes and allows the department to operate at full capacity during a time of delayed payments from the State of Illinois.

Property Taxes: For the 2013 budget, the Health Fund is requesting a tax levy of \$3,043,251 which is a 1.99% decrease from what was requested in 2012. The decrease in the tax levy will result in the same property tax rate that supported the 2012 budget. This includes a 1.29% increase in Mental Health and a 3.71% decrease in Public Health Services. For 2013, \$18,809 is budgeted from the unappropriated fund balance revenue line 0400-0000. This is a 57% decrease from 2012. As the Health Department reduced its overall dependence on property tax support, the off-set from prior year fund balance was curtailed. If revenues exceed expenditures by \$18,809 or more during 2013, as has been the past practice, the fund balance will not be reduced. This goal should be easily

achieved given the department's track record of controlling expenditures and generating revenue.

Charges for Service and Permit Fees: In the proposed 2013 Health Fund budget a total of \$969,621 is projected in charges for service and permit fees, that amount represents 21% of the Health Fund's Public Health and Animal Control Service budget. Food Permit, Private Sewage and Animal Registration fees make up 65% of the charges for service and permit fees. The Food Permit and Private Sewage Disposal fees are budgeted with a 5% across-the-board increase. The fee adjustment will aid in underwriting a portion of the increase in costs within the food and sewage programs and will require amended ordinances for adoption by the County Board. A \$1.00 increase is projected for animal registration fees. At the end of 2011 animal registration fees were \$26,903 more than the budgeted revenue and for 2012 it is projected that registration fees will exceed the budget again. The \$1.00 increase is projected to bring in approximately \$21,000 in additional revenue for FY13.

Intergovernmental Revenue: Revenue from governmental agencies makes up 10% of the Health Fund budget and the majority of the revenue is from Medicaid and the Local Health Department Grant. The amount of Medicaid revenue has risen as the number of McLean County residents living below the poverty level has increased. The most recent statistics we have show that between the years 2004 and 2010 the population of residents living below the poverty level has increased by 33.3%, amounting to 12.9% of the total County population. It is believed that this segment of the population is the fastest and largest growing segment of the County's population increase.

EXPENSES

Overall, expenses in the Health Fund are projected to increase by 1.03%.

- The Mental Health program budget annualizes high priority programs such as crisis intervention services and early intervention substance abuse services. The net effect will be to assure access to emergency services at the Center for Human Services and hold down admissions and days of care at Illinois Department of Human Services state operated in-patient facilities. All service grants were annualized with a 1% cost-of-doing business allowance with the exception of 1 contract that was decreased by a total amount of 45% and 1 contract that was increased in order to annualize additional funding that was awarded during 2012. The annualized allowance and the decrease in 1 of the contracts resulted in no increase in the amended contract services line from 2012 and a 1.29% increase in expenses for the entire program.

- The Environmental Health program goal is to achieve an environment that promotes health, safety and well-being. Programs and services focus on disease prevention and routine maintenance of environmental conditions. Expenses related to the Environmental Health program are only expected to increase 1.10%.
- Community Health Services expenses are budgeted to decrease 0.85%. The CHS Division will still be able to conduct multiple programs that promote individual, family, and community health and wellness with this minor decrease.
- The Animal Control Program expenditures are expected to increase by 7.98%. For 2013 the department has continued to budget funds for needed capital improvements, building maintenance and vehicles.
- The Administration and Support Division that includes overall department administration and fiscal management, office support and birth and death records is projecting a 2.28% increase in expenditures.
- The Health Promotion Section whose purpose is to promote the total physical, mental and social well being of McLean County residents anticipates a decrease in expenses of 5.89% as Health Promotion staff salaries are busy being supplemented to a greater percentage by new federal funding from the Community Transformation Grants. These new funds are a result of federal support of the Affordable Care Act through federal prevention funding.

Program Expenses

TB CARE and TREATMENT FUND

As mentioned earlier, the TB levy is requesting \$292,136 to operate the program. The requested levy is 4.13% less than the prior year and lowers the tax rate by 2.95%.

Expenditures are anticipated to decrease by 4.4%. Several expense lines were decreased in order to reduce the tax levy as well as bring the amounts to historical figures. A 2% increase to the medical director contract was required to maintain medical professionals in the current community environment.

The TB Fund's unappropriated fund balance has increased each year with the exception of 2009 when it decreased slightly by 0.34%. The trend has allowed the TB Fund to return a portion of the fund balance increase to taxpayers as part of succeeding budgets just like it does in the Health Fund.

377 FUND – PERSONS WITH DEVELOPMENTAL DISABILITIES

The 377 Fund budget is based on actual anticipated contract expenses. The tax levy is budgeted to increase 3.88% with a tax rate increase of 5.15%. This is the result of an artificially low tax levy in FY12 as 1.8% fiscal support was derived from unused levy resources carried over from FY11. This one-time spike will put the levy support back on its historical support cycle.

The primary expenditure in the fund is the contract line for services and it is expected to increase by 2%. This is a result of the 2% cost-of-doing business increase for community service programs offering local developmental and dual diagnosis treatment programs.

OVERALL ANALYSIS

Overall, the 2013 budget continues the trend of the past 19 years of holding expenditures at a conservative level. It should be noted that the levy rate for mental health services will be at \$.0274, more than \$0.0226 below the \$.05 authorized by referendum in 1989. Conserving taxes is also evidenced by the past experience of reducing the overall rates for the three funds overseen by the Board of Health, TB Board, and 377 Board as well as not increasing them for 2013. Finally, the structure of this budget continues to provide a rational approach to sharing the dividends of prudent management with the County's taxpayers while maintaining sufficient funds to manage cash flow and capital improvement needs. The 2013 budget serves to meet the public health and mental health needs of the public while still meeting the budget requirements and targets established by the County Board in its cost control reduction policy.

For 2013 there are 5 grant accounting funds for 30% of the Health Department's total operating budget compared to 29% in 2012. Each of these funds is a self-balancing set of accounts that do not receive any support from property tax income. 84% of the revenue for these grant programs is from funding through the State of Illinois, including Medicaid reimbursement for services. The remainder of the revenue is generated through fees charged for services that cannot be billed through the State and Federal match on local resources used to support grant services to Federal program recipients.

Currently, the balance due from the State of Illinois for the grant supported funds is \$47,142 or 2% of the 2012 funding that comes from the State.

FUND 0102 DENTAL SERVICES

Revenue

- The dental service fund is anticipating a 6% decrease in revenue due to services being cut for Medicaid eligible adult clients. In response to the elimination of adult dental service we reached out to community providers so that services could continue. The result is new revenue from Orland Park Dental Services for case managing the kids they see in the schools through the Dental Sealant Grant as well as community partnership funding from local partners such as John M. Scott, townships, United Way and local medical providers.

Expenditures

- Expenses have been reduced due to the decreased activity in the clinic that is expected as a result of Medicaid reform.

FUND 0103 WIC/LEAD SCREENING SERVICES

Revenue

- The FY13 budget for the WIC grant and lead screening programs will see a 3% decrease in revenue. Grant funding from Federal sources is anticipated to see a modest decrease from FY12 and the lead screening program being programmatically shifted to FCM as program deliverables switch from identification to case management. FFP revenue is also being used to cover increased expenses related to cost of doing business.

Expenditures

- Expenses were decreased to accommodate the shift in lead responsibility and the maintenance of the WIC program. Expenses were reduced but in line with historical patterns and staffing components were adjusted.

FUND 0105 PREVENTIVE HEALTH

Revenue

- Grant programs in Fund 0105 have experienced growth approximately 175% over the FY12 levels. This is the result of a Community Transformation Grant that will be used for promoting workplace wellness, smoke-free housing and school wellness programs. These new funds are a result of the Federal Preventive Funding component of the ACA. The Vision Program also saw an increase in fee revenue for providing vision and hearing exams in local schools.

Expenditures

- Expense adjustments in Fund 0105 mirror the changes in programs mentioned in the Revenue section. Additional hours were added to the Health Promotion staff to accommodate the additional grant funding and expenses in the Vision Program were increased to provide for the increased activity in the schools. The Health Department continues to explore additional opportunities for health promotion funding and remains confident that federal funds associated with the Affordable Care Act will eventually make way to local health departments. Staffing is fully contingent on resources for health promotion activities.

FUND 0106 FAMILY CASE MANAGEMENT

Revenue

- Grant Programs in fund 0106 experienced a slightly negative impact of state reductions, experiencing a 2% reduction in funding. As mentioned in Fund 0103 WIC, lead case management services have been shifted from fund 0103 to fund 0106 along with staff supports. Additional resources from expanded federal claiming (FFP) will be used to maintain base level FCM services while allowing for expanded reimbursement on re-invested FFP resources.

Expenditures

- Overall expenses remained relatively the same. Added FFP resources and shifts between FCM Fund 0106, 0103 and the Health Fund aid in supporting a fully integrated staff and keeps base FCM services available for McLean County pregnant women and infants.

**FUND 0107 AIDS/COMMUNICABLE DISEASE/EMERGENCY
PREPAREDNESS**

Revenue

- Fund 0107 is being budgeted 6% below the FY12 adopted level. West Nile Virus saw a large increase in their grant amount while the grant support for HIV/AIDS was cut by 17% and the Medical Reserve Corp grant was eliminated from the Emergency Preparedness program. A portion of the Local Health Protection Grant was also moved to the Health Fund in order to keep the tax rate at the same level as 2012.

Expenditures

- Expenses were reduced to remain consistent with available resources.

Mr. Butler asked if there are any cases of TB in the County. Mr. Howe replied that there are currently two active TB cases that the Health Department is following, which are individuals from out of country. He indicated that the screen a lot of providers, such as people who work in nursing homes, schools, etc.

Mr. Butler asked if there is a charge for the screening. Mr. Howe replied that there is no charge currently, but he is looking at charging a fee to those businesses that require screening. He added that if the Health Department charges a fee it will be competitive to other entities that screen, such as emergency services, local medical care facilities, etc. Mr. McIntyre asked what fee would be recommended. Mr. Howe replied that the fee would likely be \$25.00.

Ms. Wollrab asked what the HIV/AIDS Grant was that was cut. Mr. Howe responded the State of Illinois HIV Grant program was reduced. He noted that an additional HIV grant program was received which is not reflected in this budget. Mr. Howe stated that McLean County cannot afford to not have preventative HIV services.

Mr. Howe stated that he hopes that more Federal dollars will become available for preventative programs such as smoke preventative programs and obesity preventative programs. Mr. Howe pointed out that the County received grant funds from "We Choose Health Grant Program," which provides \$230,000 for smoking prevention services and obesity prevention services. Monies will be provided to school districts, individual employers and wellness programs, for multi-unit housings that want to go smoke free, and for individuals that want to create smoke-free campuses.

Mr. Rankin asked what obesity prevention programs look like. Mr. Howe replied that services would include nutrition, and activity programming in schools. Mr. Rankin advised that true healthcare is preventative, and what a lot of people refer to as healthcare is actually sick care.

Mr. Rankin asked what the swimming pool inspection fee is. Mr. Howe replied that the swimming pool inspection is only for pools that serve the general public. He indicated that currently the state is doing the inspection, but now the County will provide the inspection and receive the fee.

Mr. Rankin asked why the Animal Control is housed within the Health Department. Mr. Howe responded that the main reason would be the rabies prevention.

After a significant discussion, the Committee determined that the Health Department is the most appropriate department for the Animal Control program for the following reasons:

- Rabies prevention and control;
- The expense of developing and maintaining a separate department;
- 73% of animals deemed available for adoption are transferred to another organization;
- Maintenance of records of vaccinations and registration

Mr. Butler asked if it is a law that the County has a TB Care and Treatment Program. Mr. Howe replied that it was done by referendum by the County. He cautioned that this program should never disappear because a TB outbreak can happen at any time.

Motion by O'Connor/Rankin to recommend tentative approval of the Health Department Funds FY'2013 Recommended Budget as submitted.
Motion carried.

Mr. Wasson asked Mr. Howe to provide a review of a recent issue that was brought up by one of the members and discussed at the Property Committee meeting last week regarding securing the entrance on the north doors on the 200 W. Front Street building which has been in place for several months. He noted that the Committee member expressed concern that the public cannot access that building from the front doors.

Mr. Howe advised that the Health Department made the request that the doors be locked on the north entrance of the Health Department building because a significant amount of staff time was being devoted to responding to situations with individuals who have no purpose in being in the building. He noted that many of the programs in downtown Bloomington for people that are homeless also have requirements that individuals cannot be inebriated and access those services, so inebriated individuals believe that the Health Department is the next location where individuals can find a respite from the elements. Mr. Howe stated that his staff was spending an exorbitant amount of time removing people from the restrooms and getting into argumentative situations.

Mr. Howe indicated that his biggest concern is that the bathrooms on the main floor are in two hallways and the restroom doors are recessed and not easy to watch. He noted that he has 8,000 children coming for programming in that building. Mr. Howe is concerned with the safety of the kids going in and out of the bathrooms.

Mr. Howe advised that the best solution seemed to be to lock the front doors. He added that there is still access to the building at the south entrance of the building. Mr. Howe noted that people can still exit by way of the north doors. He indicated that the only other way to deal with the problem is to have some kind of security in the building, which would be very expensive.

Mr. Wasson noted that the building is constructed in such a way that it does not provide good visibility from the offices to the hallway spaces, which encourages all types of activity. Mr. Howe added that another alternative would have been to lock those restrooms as restrooms are available within the Health Department operational centers in all of the programming on the first floor. Mr. Wasson indicated that both staff members and clients have expressed concern with their personal safety because of persons loitering in those locations.

Mr. Wasson advised that this change in the access to the building has dramatically reduced the issues.

Mr. Wasson noted that he is sympathetic with the concerns about there not being some type of all-weather facility for bus riders in downtown Bloomington, but he does not believe the 200 W. Front St. building is designed to provide that type of facility.

Ms. Wollrab suggested that this is a downtown issue and there could be broader solutions to alleviate some of this problem.

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

Historical Museum – 0134-0072 can be found on pages 345-347 of the FY'2013 Recommended Budget and pages 31-32 of the Summary in the Agenda Packet.

Highlights of the Recommended Budget:

REVENUE:

401.0001 General Property Tax: This revenue line item account decreases in the FY'2013 Recommended Budget to \$65,200 from \$66,216 in the FY'2012 Adopted Budget. Pursuant to Chapter 55, Illinois Compiled Statutes (2006), Section 5/6-23001, the County Board is authorized to levy a property tax not to exceed 2/10ths of one cent per \$100 of equalized assessed valuation to support the operation of the McLean County Historical Museum. This reflects no change in the Historical Museum property tax rate.

EXPENDITURES:

Contractual:

774.0001 Historical Museum: Pursuant to Chapter 55, Illinois Compiled Statutes (2006), Section 5/6-23001, the County Board is authorized to levy a property tax not to exceed

2/10ths of one cent per \$100 of equalized assessed valuation to support the operation of the McLean County Historical Museum.

Motion by Wollrab/Butler to recommend tentative approval of the Historical Museum – (0134-0072) FY'2013 Recommended Budget as submitted.
Motion carried.

Tort Judgment Fund – Juvenile Detention Health – 0135-0077 can be found on pages 349-352 of the FY'2013 Recommended Budget and pages 33-35 of the Summary in the Agenda Packet.

Highlights of the Recommended Budget:

REVENUE:

410.0037 Reimbursement for Services: This revenue line item account has been budgeted at \$3,500 in the FY'2013 Recommended Budget, the same amount approved in the FY'2012 Adopted Budget. This revenue line item accounts for reimbursement received for medical care provided to juveniles detained at the Juvenile Detention Center.

EXPENDITURES:

Personnel:

There is No Change in the FTE Staffing Level in the Juvenile Detention Program in the FY'2013 Recommended Budget.

Materials and Supplies:

All Materials and Supplies line item accounts have been budgeted in the FY'2013 Recommended Budget at 2% less than the FY'2012 Adopted Budget.

Contractual:

All Contractual line item accounts have been budgeted in the FY'2013 Recommended Budget at the same levels or less than the FY'2012 Adopted Budget with the following exceptions:

706.0001 Contractual Services: This line item account has increased from \$43,992 in the FY'2012 Adopted Budget to \$44,872 in the FY'2013 Recommended Budget, based upon actual contract cost.

715.0003 Accreditation: This line item account has increased from \$1,059 in the FY'2012 Adopted Budget to \$1,105 in the FY'2013 Recommended Budget based upon actual contract cost.

757.0002 Non-Employee Medical: This line item account has increased from \$1,000 in the FY'2012 Adopted Budget to \$1,200 in the FY'2013 Recommended Budget. This increase is based on a review of last year's actual expenditures and the year-to-date expenditures as of the date the Recommended Budget was prepared.

773.0001 Non-Contractual Services: This line item increased from \$535 to \$1,446 due to a change in item line designation and corresponds to a reduction in 706.0002 Mental Health Services by \$941.

Ms. O'Connor asked if the County still houses juveniles from out-of-County. Mr. Wasson replied that we do house juveniles from out-of-County, and probably house more non-County residents than County residents over the last year.

Motion by O'Connor/Rankin to recommend tentative approval of the Tort Judgment Fund – Juvenile Detention Health – (0135-0077) FY'2013 Recommended Budget as submitted.
Motion carried.

Tort Judgment Fund – Correctional Health Services – 0135-0077 can be found on pages 353-358 of the FY'2013 Recommended Budget and pages 36-38 of the Summary in the Agenda Packet.

Highlights of the Recommended Budget:

REVENUE:

401.0001 General Property Taxes: This revenue line item account has increased from \$2,676,416 in the FY'2012 Adopted Budget to \$2,695,455 in the FY'2013 Recommended Budget. This increase is based on the statutory authority to levy a property tax in an amount sufficient to meet the expenses of the County's Risk Management Program. This levy supports all tort functions: Juvenile Detention Health, Jail Health, Insurance Risk Management and Civil Assistant State's Attorneys.

EXPENDITURES:

Personnel:

There are no changes in the FTE Staffing level for Jail Health Services in the FY'2013 Recommended Budget: Personnel turnover accounts for salary budget reduction from FY'2012.

Mr. Wasson pointed out that he continues to work with Ms. Naour on the current staffing contingent and working to appropriately address staffing issues at the Jail Health Services Division. He noted that it is a challenge for the staff with respect to dealing with mental health inmates. Mr. Wasson indicated that there are no recommendations at this time, it is possible as we continue to analyze the situation over the next several months that we may come back with some recommendation for necessary changes to staffing in that area.

Materials and Supplies:

All Materials and Supplies line item accounts have been budgeted in the FY'2013 Recommended Budget at the same level or less than the FY'2012 Adopted Budget.

Contractual:

All Contractual line item accounts have been budgeted in the FY'2013 Recommended Budget at the same levels as in the FY'2012 Adopted Budget with the following exceptions:

706.0003 Counseling/ Psychiatric Services: This line item account has increased from \$81,840 in the FY'2012 Adopted Budget to \$97,881 in the FY'2013 Recommended Budget. This increase is based on the new contracts for psychological and psychiatric services provided by Correctional Health Corp. and Real Change Clinical Services. Counseling and medical (psych) hours are increased and response time is vastly improved.

Mr. Wasson stated that many months were spent locating someone to provide psychiatric services in a correctional environment. He noted that an agreement was reached with Correctional Health Corp. to meet most of the requirements in the jail for the short term. Ms. Naour advised that the service is getting better. She indicated that the psychiatrist is coming every other week for four hours and works very hard to see all of the patients and taking appropriate orders for medication.

Ms. Wollrab pointed out she was pleased to see purchase for electronic medical recordkeeping. She asked if the system provides access to outside records. Ms. Naour replied that it will enable them to get records from other places. She indicated that it is her understanding that by 2014, the majority providers, if not all, will have electronic medical records. Ms. Naour noted that they are hoping that it will even give them the opportunity to bill the inmates for some of their medical services and medications. Mr. Wasson added that there are some opportunities with the Healthcare Reform Act that may benefit the County from a cost recovery standpoint in the future.

709.0001 Garbage Disposal Services: This line item account has increased from \$1,585 in the FY'2012 Adopted Budget to \$2,273 in the FY'2013 Recommended Budget. This increase is based on cost of garbage disposal services, including biohazard disposal costs.

Mr. Wasson noted that this is again a vendor issue. He indicated that Mr. Moody is actively working on a potential new vendor that may result in a significant reduction of costs in the medical waste area. Mr. Wasson stated that the Property Committee will present a recommendation to the Board next Tuesday that will allow the County to reduce garbage disposal costs in many funds.

778.0002 Administrative Surcharge: Administrative surcharge has been increased by \$1,000 to reflect administrative support provided by Administration staff to Tort Fund activities.

Capital Assets:

832.0001 Purchase of Furnishings/Office Equipment: This line item account includes \$978 for replacing chairs.

836.0001 Purchase of Medical/Dental Equipment: This line item account includes \$978 for replacing medical equipment as required.

850.0001 Capital Assets: This line item account has \$9,156 for lease/purchase of electronic medical records system.

Motion by Rankin/Wollrab to recommend tentative approval of the Tort Judgment Fund – Correctional Health Services – (0135-0077) FY'2013 Recommended Budget as submitted.
Motion carried.

Tort Judgment Risk Management – 0135-0077 can be found on pages 359-363 of the FY'2013 Recommended Budget and pages 39-41 of the Summary.

Highlights of the Recommended Budget:

EXPENDITURES:

Personnel:

There is No Change in the FTE Staffing level in the Risk Management Insurance Program in the FY'2013 Recommended Budget.

Materials and Supplies:

All Materials and Supplies line item accounts have been budgeted in the FY'2013 Recommended Budget at the same level or less than the FY'2012 Adopted Budget.

Contractual:

All Contractual line item accounts have been budgeted in the FY'2013 Recommended Budget at the same level or less than the FY'2012 Adopted Budget with the following exceptions:

719.0004 General Liability Insurance: This line item account has increased from \$202,000 in the FY'2012 Adopted Budget to \$240,000 in the FY'2013 Recommended Budget. This increase is based upon anticipated increased due to market conditions.

Ms. Ho commented that the \$240,000 is comprised of a portion of the insurance for the Nursing Home as well and what we anticipate to be an increase in general liability insurance premiums as well. She noted that she anticipates going out and market the County's insurance program.

719.0004 Property Insurance: This line item account has increased from \$93,000 in the FY'2012 Adopted Budget to \$97,650 in the FY'2013 Recommended Budget. This increase is based upon anticipated increased due to market conditions.

719.1002 Auto Liability Claims: This line item account has increased from \$10,000 in the FY'2012 Adopted Budget to \$30,000 in the FY'2013 Recommended Budget. This increase is based on a review of last year's actual expenditures and the year-to-date expenditures and increasing projected costs of typical claims.

Ms. Ho explained that case reserves that the County had were used up on one case that occurred in 2010. Therefore, it is necessary to build up the reserves.

788.0002 Administrative Surcharge: Administrative surcharge has been increased by \$951 to reflect administrative support provided by Administration staff to Tort Fund activities.

Transfer to Other Funds:

999.0001 Transfer to Other Funds: This line item account remains the same in the FY'2013 Recommended Budget as the FY'2012 Adopted Budget at \$156,336. This line item account includes the transfer to the Nursing Home of that portion of the Nursing Home insurance costs that is paid by the Tort Judgment Fund. Because Medicare and Medicaid do not reimburse 100% of the actual cost, the Board's policy and practice has been to budget the unreimbursed share of the Nursing Home's insurance expense in the Tort Judgment Fund.

Motion by O'Connor/Rankin to recommend tentative approval of the Tort Judgment Risk Management – (0135-0077) FY'2013 Recommended Budget as submitted.
Motion carried.

Mr. Wasson advised that County Clerk Kathy Michael contracted the Administrator's Office two days ago requesting that the County Clerk's Office be provided with additional compensatory time above the County's current Ordinance allows which is 40 hours. He stated that Ms. Michael expressed concern that she anticipates a very high work load during the election process. Mr. Wasson reviewed the request and the Ordinance is clear that only a maximum of 40 hours is allowed for compensatory time off.

Mr. Wasson stated that he talked with the County Treasurer who informed him that in general classes of employees within the payroll system they cannot modify the maximum pro-rate on a temporary individual basis without modifying it for all employees. He indicated that Ms. Michael gave him a list of six employees who they anticipate would likely exceed the 40 hours of compensatory time. Mr. Wasson noted that the other option is to pay overtime, which he understands her desire to avoid overtime.

Mr. Wasson advised that Ms. Michael expects these six employees may incur up to 20 hours of additional comp time or overtime because of the challenge of meeting the election process. Ms. Michael noted that one key employee has already exceeded that number.

Mr. Wasson pointed out that once an employee reaches 40 hours of comp time, the system moves the additional hours accrued to overtime. By Ordinance, there is a maximum accrual of 40 hours for comp time. Mr. Wasson explained that this system was put into place many years ago after issues with accumulation of comp time.

Mr. Wasson indicated that an additional 20 hours for six employees could cost approximately \$2,800 in overtime. He stated that the County never wants any compensatory time off or overtime accumulation "off the books."

Mr. Wasson recommended that the additional hours over the 40 hours of comp time be paid in overtime. He recognizes that this is a budgetary issue with the Committee to deal with should the County Clerk exceed her budget at the end of the year. Mr. Wasson also recognized that this is a special situation to ensure that the election gets accomplished appropriately and effectively. He asked that the Committee acknowledge that there may be overtime incurred that was unanticipated that is part of the budget process for Fiscal Year 2012.

Mr. Wasson advised that an attempt will be made to identify other County employees who have experience in the County Clerk's office and enlist their assistance in a job-share effort for a couple days. Those employees could work during the day and not incur overtime.

Chairman Owens left at 4:20 p.m. to attend another meeting.

County Clerk – 0001-0005 can be found on pages 32-38 of the FY'2013 Recommended Budget and pages 44-47 of the Summary in the Agenda Packet.

Highlights of the Recommended Budget:

REVENUE:

410.0008 Copy Fees: This line item account has decreased from \$225 in the FY'2012 Adopted Budget to \$150 in the FY'2013 Recommended Budget. This is based upon revenue year-to-date at the time the recommended budget was completed.

410.0024 Liquor Licenses: This line item account has decreased from \$16,970 in the FY'2012 Adopted Budget to \$16,050 in the FY'2013 Recommended Budget. This is based upon revenue year-to-date at the time the recommended budget was completed.

410.0526 Marriage Certificates: This line item account has increased from \$22,900 to \$23,000 after decreasing the past three years from \$34,000 in the FY'2009 Adopted Budget. This revenue projection is based on a review of the year-to-date revenue as of the date the Recommended Budget was prepared and last year's actual revenue.

410.0527 Birth Certificates: This line item account has decreased over the past three years from \$94,000 in the FY'2009 Adopted Budget to \$80,500 in the FY'2013 Recommended Budget, a 2% decrease from FY'2012. This revenue projection is based on a review of the year-to-date revenue as of the date the Recommended Budget was prepared and last year's actual revenue.

410.0528 Death Certificates: This line item account has increased from \$5,200 in the FY'2012 Adopted Budget to \$5,400 in the FY'2013 Recommended Budget.

410.0531 Civil Union Licenses: This line item account has decreased from \$4,000 to \$1,000. This is based on a review of the year-to-date revenue as of the date the Recommended Budget was prepared and last year's actual revenue.

410.0560 Other Income: This line item account decreases from \$14,000 in the FY'2012 Adopted Budget to \$10,000 in the FY'2013 Recommended Budget. This revenue projection is based on a review of the year-to-date revenue as of the date the Recommended Budget was prepared.

410.0415 Interest Income: This line item account decreases from \$5,000 in the FY'2012 Adopted Budget to \$1,000 in the FY'2013 Recommended Budget based on a review of the year-to-date revenue as of the date the Recommended Budget was prepared and previous year's revenue.

EXPENDITURES:

Personnel:

The County Clerk's Office had no change in Full Time Equivalent staffing positions from the FY'2012 Adopted Budget to the FY'2013 Recommended Budget.

Materials and Supplies:

All Materials and Supplies line item accounts in the FY'2013 Recommended Budget have been budgeted at the same level or less than the FY'2012 Adopted Budget with the following exceptions:

630.0001 Postage: This line item account has increased from \$26,900 in the FY'2012 Adopted Budget to \$32,740 in the FY'2013 Recommended Budget. This projection is based on a review of the year-to-date expenditures as of the date the Recommended Budget was prepared and last year's actual expenditures.

Contractual:

All Contractual Services line item accounts have been budgeted in the FY'2013 Recommended Budget at the same level or less than the FY'2012 Adopted Budget with the following exceptions:

701.0001 Advertising/Legal Notice: This line item account has increased from \$33,000 in the FY'2012 Adopted Budget to \$45,000 in the FY'2013 Recommended Budget. This increase is based on two elections in 2013 and multiple referendum questions on municipal ballots.

718.0001 Schooling and Conferences: This line item account has increased from \$1,750 in the FY'2012 Adopted Budget to \$3,000 in the FY'2013 Recommended Budget. This increase is based on increased training for elections staff in 2013.

750.0004 Software License Agreement: This line item account has increased from \$29,100 in the FY'2012 Adopted Budget to \$43,370 in the FY'2013 Recommended Budget. This increase in costs provides for elections software license.

Motion by Rankin/Wollrab to recommend tentative approval of the County Clerk – (0001-0005) FY'2013 Recommended Budget as submitted.
Motion carried.

County Clerk Document Storage Fund – 0164-0006 can be found on pages 39-43 of the FY'2013 Recommended Budget and pages 48-50 of the Summary in the Agenda Packet.

Highlights of the Recommended Budget:

Pursuant to Illinois law, the County Board established the County Clerk's Document Storage Fund. This Special Revenue Fund was established to assist the County Clerk's Office with automation and document storage. Through the collection of a Document Storage fee, the County Clerk's Office has available funds which can be used to purchase automated document storage systems, contract for services, purchase capital equipment, and purchase computer hardware and software. As a Special Revenue Fund, the fund must be balanced within the fund.

REVENUE:

410.0089 Document Storage Fee: This revenue line item account has been budgeted at \$22,375 in the FY'2013 Recommended Budget. This revenue figure is based on a review of last year's actual revenue and the year to date revenue, as of the date the Recommended Budget was prepared.

400.0000 Unappropriated Fund Balance: This revenue line item has been budgeted at \$0 in the FY'2013 Recommended Budget to balance the total expenditures with the revenue. Per the outside auditor's Fiscal Year 2011 audit, the end of year fund balance as of December 31, 2011, totaled \$7,337.

EXPENDITURES:

Personnel:

The FTE Staffing level in the FY'2013 Recommended Budget remains the same as FY'2012 at 0.50 FTE.

Motion by O'Connor/Wollrab to recommend tentative approval of the County Clerk Document Storage Fund – (0164-0005) FY'2013 Recommended Budget as submitted.
Motion carried.

County Recorder – 0001-0006 can be found on pages 44-48 of the FY'2013 Recommended Budget and pages 51-52 of the Summary in the Agenda Packet.

Highlights of the Recommended Budget:

REVENUE:

All revenue lines within the FY'2013 recommended budget remain unchanged from the FY'2012 Adopted Budget. This is based upon revenue year-to-date at the time the Recommended Budget was completed.

Mr. Wasson pointed out that over the last three months there has been an increase trend in business in the Recorder's Office. Mr. Lee Newcom, County Recorder, advised that a year ago they were 3,000 documents behind where they are today, which reflects the increase.

Mr. Wasson stated that if we continue to see an increase on a consistent basis over the next few months, it may be necessary make a decision on how to handle this increase, including revising revenue projections as well as expenditures. He indicated that the trend will be monitored and a determination will be made in the future on how to handle the increase.

Mr. Newcom indicated that the Recorder's Office is governed by the number of documents coming in. He noted that two years ago, sensing the downturn, he offered to give up a position. Mr. Newcom advised that the workload is currently very high. He stated that he won't make any recommendations until he knows that this trend is stable. Mr. Newcom pointed out that 3,000 documents higher today would mean that the income is \$36,000 higher today than this time last year.

EXPENDITURES:

Personnel:

The staffing level in the Recorder's Office is unchanged from the FY'2012 Adopted Budget at 6.00 FTE positions. The current staffing level in Fund 0001 is due to the shifting of 2.0 FTE positions from the Recorder's Document Storage Fund 0137 to the Recorder's Office General Fund in the FY'2011 Adopted Budget.

Materials and Supplies:

All Commodity line item accounts in the FY'2013 Recommended Budget have been budgeted at the same levels or less as in the FY'2012 Adopted Budget.

Contractual:

All Contractual line item accounts in the FY'2013 Recommended Budget have been budgeted at the same levels or less as in the FY'2012 Adopted Budget.

Mr. Rankin asked if it will be necessary to add a position in the near future. Mr. Wasson replied that revenue trends and workload trends need to be evaluated and determine if it will be necessary to add an employee. Mr. Rankin asked if it may be realistic to expect that to happen within the next year. Mr. Wasson replied that it is possible.

Mr. Rankin asked what the salary of a new position would be. Mr. Newcom replied that it would be an Office Support Specialist I, which would be about \$25,000.

After additional discussion, the Committee concurred that this increased workload should be monitored and a decision should be made in the near future to determine if it will be necessary to add an employee to the Recorder's Office or to find an alternative method of addressing the additional workload, such as cross utilization of County employees.

Motion by O'Connor/McIntyre to recommend tentative approval of County Recorder – (0001-0006) FY'2013 Recommended Budget as submitted.
Motion carried.

County Recorder Document Storage Fund – 0137-0006 can be found on pages 49-52 of the FY'2013 Recommended Budget and pages 53-54 of the Summary in the Agenda Packet.

Highlights of the Recommended Budget:

The Recorder's Document Storage Fund 0136 is a Special Revenue Fund that has been established to properly account for the receipt and expenditure of the Document Storage Fees assessed and collected by the Recorder's Office. As a Special Revenue Fund, the Fund must be balanced by using the fees collected and the available Fund Balance.

REVENUE:

410.0089 Document Storage Fees: This revenue line item account is unchanged from the FY'2012 Adopted Budget at \$80,000 in the FY'2013 Recommended Budget.

410.0181 GIS Document Fees: This revenue line item account is unchanged from \$20,000 in the FY'2012 Adopted Budget at \$20,000 in the FY'2013 Recommended Budget.

400.0000 Unappropriated Fund Balance: This revenue line item account has decreased from \$28,077 in the FY'2010 Adopted Budget to \$0 in the FY'2011 Adopted budget. It remained at \$0 in the 2012 Adopted Budget and continues in the FY'2013 Recommended

Budget based on available revenue and fund balance. Per the outside auditor's audit, the end of year fund balance as of December 31, 2011 totaled \$129,690.

EXPENDITURES:

Materials and Supplies:

All Commodity line item accounts in the FY'2013 Recommended Budget have been budgeted at the same levels or less as in the FY'2012 Adopted Budget.

Contractual:

All Contractual line item accounts in the FY'2013 Recommended Budget have been budgeted at the same levels or less as in the FY'2012 Adopted Budget .

Motion by O'Connor/McIntyre to recommend tentative approval of the County Recorder Document Storage Fund – (0137-0006) FY'2013 Recommended Budget as submitted.
Motion carried

County Recorder GIS Fees Fund – 0167-0006 can be found on pages 53-54 of the FY'2013 Recommended Budget and pages 55-56 of the Summary.

Highlights of the Recommended Budget:

Pursuant to Illinois law, the County Board approved and authorized the County Recorder to collect a \$5.00 GIS fee. The GIS fee is remitted as follows: \$4.00 to the GIS Fees Fund 0167 and \$1.00 to the Recorder's Document Storage Fee Fund 0137. The fees remitted to the GIS Fees Fund are to be used to support the Countywide GIS (Geographic Information System) development project that is being managed by the Regional Planning Commission and the in-house County GIS staff.

REVENUE:

410.0181 GIS Document Fee: This revenue line item account was established in the FY'2008 Recommended Budget to account for the \$4.00 GIS fee collected by the Recorder to support the Countywide GIS development project. This revenue line item account remains at \$162,000.00 in the FY'2013 Recommended Budget, the same as in the FY'2012 Adopted Budget. This is based on a review of last year's actual revenue and year-to-date revenue.

EXPENDITURES:

500.0000 Budget Balance Account: 10% of the total receipts in this fund are held by the County Treasurer's Office to pay for any bank service charges or other indirect costs incurred by the County.

0980.0181 GIS Fees: This line item accounts the GIS fees to be paid to the Regional Planning Commission. \$4.00 of the \$5.00 GIS fee is remitted to the Regional Planning Commission to support the Countywide GIS development project. Given that roles are changing in GIS support, we will work with Regional Planning to determine the adequacy of the fee and how it is currently allocated.

Motion by McIntyre/Rankin to recommend tentative approval of the County Recorder GIS Fees Fund – (0167-0006) FY'2013 Recommended Budget as submitted.
Motion carried.

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

Tort Judgment – Civil Division – 0135-0077 can be found on pages 364-367 of the FY'2013 Recommended Budget and pages 42-43 of the Summary.

Mr. Wasson stated that this is the fund that supports Mr. Eves, Mr. Messman and Ms. Hospelhorn.

Highlights of the Recommended Budget:

EXPENDITURES:

Personnel:

There is No Change in the FTE Staffing Level in the Civil Division Program in the FY'2013 Recommended Budget. Changes in salary level reflect changes in assigned personnel to this division.

Mr. Wasson noted that the decrease in salaries is the result of Ms. Eisner accepting the position of Assistant County Administrator.

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Materials and Supplies:

All Materials and Supplies line item accounts have been budgeted in the FY'2013 Recommended Budget at or below the FY'2012 Adopted Budget.

Contractual:

Contractual line item accounts have been budgeted in the FY'2013 Recommended Budget at 2% less than the FY'2012 Adopted Budget with the following exception:

778.0002 Administrative Surcharge: Administrative surcharge has been increased by \$1,340 to reflect administrative support provided by Administration staff to Tort Fund activities.

Motion by Rankin/Wollrab to recommend tentative approval of the Tort Judgment – Civil Division – (0135-0077) FY'2013 Recommended Budget as submitted.
Motion carried.

Chairman Owens adjourned the Special Finance Committee meeting at 5:58 p.m.

Respectfully Submitted,

Judith A. LaCasse
Recording Secretary