

Minutes of the Finance Committee

The Finance Committee of the McLean County Board met on Wednesday, December 5, 2012 at 4:00 p.m. in Room 400 of the Government Center, 115 East Washington Street, Bloomington, IL.

Members Present: Chairman Owens, Members O'Connor (left at 5:04 p.m.), Wollrab, Rankin, Soeldner (arrived 4:05 p.m.) and Erickson

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. Jennifer Ho, Risk Management; Mr. Walt Howe, Health Department Administrator; Mr. Matt Riehle, Director, Nursing Home; Mr. Lee Newcom, County Recorder; Ms. Becky McNeil, County Treasurer; Mr. Bob Kahman, Supervisor of Assessments; Ms. Lori McCormick, Director, Court Services; Mr. Jason Chambers, State's Attorney

Others Present: Ms. Cathy Waltz, Superintendent, Juvenile Detention Center

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

Chairman Owens presented the minutes of the November 7, 2012, the October 16, 2012 Stand-up and the October 10, 2012 Special Finance Committee Meetings for approval.

Motion by Rankin/O'Connor to Approve the Minutes of the November 7, 2012 meeting, the October 16, 2012 Stand-Up meeting and the October 10, 2012 Special Finance Committee Meeting.

Motion carried.

Chairman Owens advised that the Finance Committee meetings have been moved from 4:00 p.m. to 4:30 p.m. beginning in January.

Ms. Jennifer Ho, Risk Management, presented a request for approval of a renewal for Third Party Claims Administration (TPA) Services with Brentwood Services Administrators, Inc.

Ms. Ho advised that Brentwood was awarded the contract for third-party claims administration in 2009 after a competitive RFP process, for a three-year term which will expire December 31, 2012. The renewal contract is effective January 1, 2013 for a period of three years with terms and conditions remaining the same as the expiring contract.

Ms. Ho noted that the County and Brentwood may elect to terminate the contract earlier with advance notice to the other party. She indicated that the annual charges remain at \$12,875 each year, which is unchanged from the expiring contract.

Ms. Ho stated that Brentwood, as a growing company has the ability to adapt and to be flexible to meet a changing environment. She advised that over the past three years, Brentwood has delivered on their promises to provide services such as online claims reporting, and online access to claims information. Ms. Ho added that they have worked very well with the County's case management company, RTWI. She indicated that RTWI is renewed automatically each year, with each party exercising the right to early termination. The collaborative efforts between the two partners have produced significant positive outcome for the County.

Ms. Wollrab asked if Brentwood uses a network. Ms. Ho replied that Brentwood does use a network, which the County uses. She added that they have several other accounts in Illinois to which they use a network.

Ms. Wollrab asked what their travel fees are for. Ms. Ho replied that the travel fees are for special meetings or trainings when necessary. She added that she is going to look into more online training opportunities.

Motion by Rankin/Wollrab to recommend Approval of a
Renewal for Third Party Claims Administration (TPA)
Services with Brentwood Services Administrators, Inc.
Motion carried.

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

Mr. Walt Howe, Health Department Administrator, Ms. Cathy Dryer, Fiscal Services Supervisor, Health Department. Mr. Howe presented a request for approval of an Ordinance of the McLean County Board Amending the 2012 Combined Appropriation and Budget Ordinance for Fund 0107 (West Nile Virus Grant). He stated that in April 2012 the McLean County Health Department was awarded a \$34,074 for West Nile Virus Surveillance and Control Services through the Illinois Department of Public Health.

Mr. Howe indicated that the grant covers the time period of April 1, 2012 through March 31, 2013.

Mr. Howe advised that the amount that was awarded was a 67% increase from the previous year's grant. The additional money received was used to create an educational campaign regarding West Nile Virus. Mr. Howe stated that a large focus of the campaign was television and radio ads that were geared towards educating the public on ways to prevent West Nile Virus.

Mr. Soeldner asked if he intends to spend the entire amount. Mr. Howe replied that he intends to spend the entire amount on education.

Motion by Wollrab/Soeldner to recommend Approval of an Ordinance of the McLean County Board Amending the 2012 Combined Appropriation and Budget Ordinance for Fund 0107 (West Nile Virus Grant).
Motion carried.

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

Mr. Matt Riehle, Director, Nursing Home, reviewed the Nursing Home Monthly Report. He indicated that there is nothing of significance to note in the report.

Chairman Owens commented that Mr. Riehle is always very gracious to come to the Committee meetings even if he only has informational items. He added that the reports from the Nursing Home are very standard every month. Chairman Owens suggested the new members go to the Nursing Home for a tour.

Mr. Soeldner asked what improvements have been made or are being made at the Nursing Home. Mr. Riehle responded that there have been many improvement made at the facility, including replacement of lighting, replacement of refrigeration units, redone chillers, and replaced the boiler. He advised that the energy costs will probably be half of what they had been in the past. Mr. Riehle noted that the gas cost in 2007 was \$135,000 and he expects the cost to be \$35,000-\$40,000 this year.

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

Chairman Owens presented the County Clerk's Monthly Report as submitted by Ms. Kathy Michael, County Clerk who was at a meeting out of town. There were no questions on the report.

Chairman Owens presented the County Auditors Quarterly Report and informational item as submitted by Ms. Michelle Anderson, County Auditor, who is out ill today. There were no questions on the reports.

Mr. Lee Newcom, County Recorder, presented his monthly report. He indicated that there was nothing of significance to note in the report.

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

Chairman Owens advised the new members that the County Treasurer's Report is distributed at the meeting and is never included in the packet.

Ms. Becky McNeil, County Treasurer, reviewed the Financial Reports for the period ending November 30, 2012, as distributed. The Summary of Tax Vouchers for Sales, Income, Local Use and Personal Property Replacement Tax are as follows:

November 2012 Vouchers:		<u>November 2011 Vouchers</u>	
Sales Tax	\$437,551.55	405,233.17	8%
Revenue Sales Tax	56,261.26	53,756.23	4.7%
Local Use Tax	25,119.18	24,015.54	4.6%
Income Tax	121,903.20	100,508.41	21.3%
PPRT	.	.	.
Total	<u>\$640,835.19</u>	<u>583,513.35</u>	<u>9.8%</u>

Monthly Comparison

November 2012 Vouchers	640,835.19	
November 2011 Vouchers	<u>583,513.35</u>	
Difference	57,321.84	9.8%

YTD Comparison

YTD 2012 Vouchers	8,385,351.73	
YTD 2011 Vouchers	<u>7,978,042.04</u>	
Difference	407,309.69	5.1%

Budget Comparison

2012 Annual Budget:	\$8,930,000.00	
Budgeted Revenue thru 11/30/12:	\$8,122,083.33	
YTD Actual Vouchers	\$8,385,351.73	
Amount Over (Under) Budget:	\$263,268.40	3.2%

Property Taxes

	Budget	Actual	% of Budget
2012	\$33,196,258.00	\$33,160,992.50	99.89%

Ms. McNeil advised that these are the primary sources of tax revenue from the State of Illinois. She noted that these figures are watched closely as they tend to fluctuate and move along with the economy. Ms. McNeil pointed out that on the backside of this report she included a "Summary of Income, Local use, PPRT and Sales Tax Collections" list which provides a description of these items.

Ms. McNeil noted that the County has been trending, this year, ahead of last year consistently throughout the year.

Ms. McNeil stated that she expects a December payment from PPRT coming in soon.

Ms. McNeil reviewed the Property Taxes, which were 99.89% of budget. She stated that what makes up the difference in the Property Taxes is a combination of things, including exemptions that people have filed for throughout the tax season that they are entitled to receive by statute, decisions that are made at Property Tax Appeal Board where reductions may be taken, and the County Tax Sale. Ms. McNeil indicated that about 40 parcels went to the Trustee at the Tax Sale. She noted that when it goes to the Trustee, they are essentially going to the County and no one is paying the taxes and that reduces that portion of those taxes that would have belonged to McLean County on those parcel. Ms. McNeil added that those fees will not be seen until the parcels are redeemed. She advised that some of this money will be coming through, but not in 2012.

Ms. McNeil explained that as far as 2012 is concerned, the Treasurer's Office will be taking receipts that comes in January, February and March and accruing that revenue back to 2012.

Ms. McNeil reviewed the Investment Report. She indicated that there continues to be very little activity, particularly with CDs. Ms. McNeil advised that, currently, she is leaving the money in Money Markets and offsetting bank fees. She explained that she continues to work with the banks to encourage them to continue to waive fees, which has kept the County from being in a deficit position with the banks. The total of all investment funds is \$41,795,831.73. Ms. McNeil indicated that next month she will provide an interest rate update.

Ms. McNeil reviewed the Balance Sheet report. She stated that the Balance Sheet is not just the General Fund; rather it is the General Government Funds according to all of GASB and accounting requirements. Ms. McNeil noted that there are eleven funds that make up this balance.

Ms. McNeil reported that, as of today, the Fund Balance is \$13,351,573.58 as compared to \$12,177,583.98 last year. She cautioned that this growth is not something that will actually be recognized in 2012 because a lot of expenses will be rolling out in December, and the majority of the revenue has already been received. Of that \$13 million, \$9.5 million is in cash. Ms. McNeil indicated that this is a necessary cash balance.

Ms. McNeil reviewed the receivables from the State of Illinois. She indicated that the Treasurer's Office has booked \$1.7 million currently. Ms. McNeil expressed concern with a couple receivables, as follows:

- Income Tax which is behind three months, September, October and November, which is about \$385,000;
- Probation Officer money for July through October which is \$713,000.
- Health Department receivables.

Ms. McNeil stated that receivables are going to become very important as we move into January, February and March. She explained that if these receivables are not satisfied by March 31st, it will be necessary to roll the revenue off of 2012, which decreases the Fund Balance for 2012.

Motion by O'Connor/Rankin to accept and place on file the Month-end Financial Reports from the County Treasurer's Office for the month ending November 30, 2012, as submitted.

Motion carried.

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

Mr. Bob Kahman, Supervisor of Assessments, presented his Assessment Status Report. He noted that the Board Review is just about done for the year, which is very early.

Mr. Kahman reported that, while there were a lot of complaints, there were no big complaints. He noted that the complaints were readily resolved between the Assessor, the Board of Review and the taxpayer.

Mr. Kahman stated that, overall, there was \$285 million contested, which is a huge amount of EAV, but only \$7 million total adjustments were made. He indicated that in a typical year he expects about \$13 million in adjustments. Mr. Kahman added that this is testimony to the job of the assessors and the staff in creating fair and equitable assessments. He noted that December 12th is the last hearing date.

Mr. Kahman reviewed the "McLean County Historical Record of Equalized Assessed Value (EAV) from 1979 to Present" chart that was included in the packet. He expects that before the close of 2012 it will be the first year that the County will experience a smaller EAV than present, which he expects will continue in 2013. Mr. Kahman attributes this to the sales of property in McLean County. He added that builders are once again taking out permits for new growth. Mr. Kahman reported that short-sales and foreclosures that were on the market are clearing out. He concluded that the EAV is projected to go down a short percent this year and a short percent next year.

At the request of Mr. Soeldner, Mr. Kahman provided information on the differences in the number of complaints from township to township and the difference between the complaints filed and the ones whose assessments was adjusted. Mr. Kahman noted that about 85% of the complaints get some type of adjustment.

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

Ms. Hannah Eisner, Assistant County Administrator, reviewed the list of critical personnel position requests which have been received by the County Administrator's Office through, November 29, 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 Public Health Nurse position that has been vacated.

The resignation of a WIC Public Health Nurse has created a vacancy in the Health Department. The Public Health Nurse positions within the WIC program fulfill a critical role in the federally funded grant program. They are responsible for performing hemoglobin and blood lead screenings on clients over nine months of age and hemoglobin screenings on pregnant and post partum women. The WIC program funding is dependent on caseload achievement. The WIC program needs to maintain three public health nurse positions to meet caseload requirements for the grant. A reduction in nurse positions would result in seeing fewer clients per day which would reduce caseload and put funding for FY'14 in jeopardy.

The WIC Public Health Nurses also support the Family Case Management program and the Health Fund by making client contacts and completing health and social assessments. Reduction in the number of WIC Public Health Nurses would negatively impact service delivery in these other program areas.

Mr. Rankin asked why this position does not fall under the "Patient Care Exemption" category that does not require Committee approval. Ms. Eisner replied that it is a grant-funded position.

Court Services

1) Request to fill a 1.0 FTE Juvenile Detention Shift Supervisor position that has been vacated.

The resignation of 1.0 FTE Juvenile Detention Shift Supervisor has created a vacancy in the Court Services Department. Court Services currently has 4 shift supervisor positions for the Juvenile Detention Center. This number was reduced from 5 to the present level of 4 in 2010 due to County-wide budget cuts. It has been necessary to classify supervisors as working supervisors with some line staff responsibilities to meet minimum staffing levels with only four supervisor positions. Any further reduction in supervisory staff would leave five shifts a week without a supervisor on duty. Four is the absolute minimum number of supervisors required to maintain security and provide the necessary programming to serve the juveniles housed at the facility.

State's Attorney

1) Request to fill 1 FTE Victim Witness Specialist position that has been vacated.

The resignation of 1.0 FTE Victim Witness Specialist has created a vacancy in the State's Attorney's office. The State's Attorney currently has 2 FTE Victim Witness Specialists positions. The Victim Witness Specialists establish contact with victims of crimes and notify them of court appearances and make travel arrangements to get them to court when necessary. They work primarily with attorneys in the Felony, Grand Jury and Major Traffic divisions of the State's Attorney's office. Their work is essential to insuring victims of crime are available and appear at trial. The State's Attorney must have 2 FTE Victim Witness Specialists to manage the current caseload.

Circuit Clerk

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

The resignation of 1.0 FTE Office Support Specialist II has created a vacancy in the Circuit Clerk's office. The vacated position is primarily responsible for appeals. This involves preparation of the Records on Appeal, processing Notices of Appeal and returned Records on Appeal, monitoring due dates of Appeal Records, tracking reports of proceedings for current Appeals, maintaining inventory of Reports of Proceedings, and maintaining monthly statistics for AOIC (Administrative Office of the Courts). This position is also responsible for overseeing court exhibits and sending notices of court authorized evidence destruction. This work requires specialized knowledge of the appeal process and is deadline sensitive and there must be at least one person on staff dedicated to performing these tasks. The job duties cannot be redistributed to the remaining staff.

Nursing Home

1) The following positions were vacated and refilled pursuant to the patient care exemption: 1 FTE Domestic Services Assistant I.

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

Chairman Owens advised the Department Heads that the January Finance Committee meeting would be held on Wednesday, January 9 instead of January 2nd.

Chairman Owens called for a motion to go into *Executive Session*, with the Committee Members and Administration Staff to discuss Collective Bargaining.

Motion by Soeldner/Wollrab to Recommend the Finance Committee go into *Executive Session* at 4:45 p.m. to discuss Pending Litigation with the Committee Members, Mr. Pablo Eves, First Assistant Civil State's Attorney; Administration Staff; and legal staff.
Motion carried.

Motion by Wollrab/Rankin to recommend the Finance Committee return to *Open Session* at 5:38 p.m.
Motion carried.

Chairman Owens presented the November 30, 2012 Finance Committee bills for review and approval as transmitted by the County Auditor. The Finance Committee bills include a Prepaid Total of \$1,131,237.86 and a Fund Total that is the same.

Motion by Wollrab/Soeldner to recommend approval of the Finance Committee bills as of November 30, 2012 as recommended by the County Auditor as well as a transfer in the Health Department.
Motion carried.

Chairman Owens presented a request for approval of Health Department transfers. The transfers are as follows:

- Fund 0102 \$6,450.00
- Fund 0103 \$6,400.00
- Fund 0105 \$19,000.00
- Fund 0107 \$11,615.00
- Fund 0112 \$13,000.00

Motion by Rankin/Wollrab to recommend approval of the Health Department Transfers.
Motion carried.

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Chairman Owens presented the November 30, 2012 Nursing Home bills for review and approval as transmitted by the County Auditor. The Nursing Home bills include a Prepaid Total of \$250,923.28 and a Fund Total that is the same.

Motion by Soeldner/Rankin to recommend approval of the Nursing Home bills as of November 30, 2012 as recommended by the County Auditor.
Motion carried.

After a brief discussion, the Committee decided to hold its January meeting at the regular date of January 2nd.

Chairman Owens announced that the Finance Committee meeting time will move from 4:00 p.m. to 4:30 p.m. beginning January 2nd.

There being nothing further to come before the Committee at this time, Chairman Owens adjourned the Finance Committee at 5:43 p.m.

Respectfully Submitted,

Judith A. LaCasse
Recording Secretary