

Minutes of the Finance Committee

The Finance Committee of the McLean County Board met on Wednesday, May 1, 2013 at 4:30 p.m. in Room 400 of the Government Center, 115 East Washington Street, Bloomington, IL.

Members Present: Chairman Owens, Members Wollrab, Soeldner, O'Connor and Erickson

Members Absent: Member Rankin

Other Members Present: Member Pyne

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:

Mr. Phil Dick, Director, Building and Zoning; Ms. Michelle Anderson, County Auditor; Ms. Jennifer Ho, Risk Management; Mr. Matt Riehle, Director, Nursing Home; Mr. Walt Howe, Health Department Administrator; Ms. Kathy Michael, County Clerk; Ms. Kim Campbell, Public Defender

Others Present: Ms. Laura Dick, Director, SHOW BUS; Mr. Mike Behary, Building and Zoning

Chairman Owens called the meeting to order at 4:30 p.m.

Chairman Owens presented the minutes of the April 3, 2013 Finance Committee Meeting for approval.

Motion by O'Connor/Wollrab to Approve the Minutes of the April 3, 2013 Finance Committee meeting.
Motion carried.

Chairman Owens presented the County Treasurer's Financial Reports for the period ending April 30, 2013 as submitted by Ms. Becky McNeil, County Treasurer.

Mr. Wasson advised that the numbers continue to track positively, as they have the last two or three months.

Chairman Owens pointed out that the Investment Report does not change much from month to month. The total of all funds is \$35,753,120.55.

Chairman Owens asked if there were any questions or comments. Hearing none, he called for a motion.

Motion by Soeldner/O'Connor to accept and place on file the Month-end Financial Reports from the County Treasurer's Office for the month ending April 30, 2013, as submitted.
Motion carried.

Mr. Phil Dick, Director, Building and Zoning presented four requests for SHOW BUS. He noted that these are items that are considered annually for approval. Mr. Dick stated that Ms. Laura Dick, Executive Director, SHOW BUS, is available to answer any questions. The first two items were considered together.

The items are as follows:

1. Request Approval of IDOT FY'2014 Combined Application for Section 5311 and Downstate Public Transportation Operating Assistance Grant. This is the annual operating assistance through the Federal Department of Transportation through 5311 and the Downstate Operating Assistance application.
2. Request Approval of the Purchase of Service Agreement between McLean County and SHOW BUS for the continuation of Rural Public Transportation Service in FY'2014. This is similar to the Agreement from last year where the County purchases the services of SHOW BUS to do public transportation.

Motion by Wollrab/O'Connor to Recommend Approval of IDOT FY'2014 Combined Application for Section 5311 and Downstate Public Transportation Operating Assistance Grant; and to Recommend Approval of the Purchase of Service Agreement between McLean County and SHOW BUS for the continuation of Rural Public Transportation Service in FY'2014.
Motion carried.

Mr. Dick presented the third action item, namely a request for approval of a Motor Vehicle Lease Agreement between McLean County and SHOW BUS. He indicated that the County, through the Federal Government, owns a number of buses that are leased to SHOW BUS, and two new vehicles need to be added to this lease.

Motion by O'Connor/Soeldner to Recommend Approval of a Lease Agreement between McLean County and SHOW BUS.
Motion carried.

Mr. Dick presented the fourth item, which is a request for approval of IDOT CY'2013 Consolidated Vehicle Procurement Rolling Stock Capital Assistance Technical Studies Grant Application for the purchase of two vehicles. This Grant Application is for two medium duty 14-passenger paratransit vehicles and will require a Public Hearing at the County Board Meeting at 9:00 a.m.

Motion by O'Connor/Wollrab to Recommend Approval of an IDOT CY'2013 Consolidated Vehicle Procurement Rolling Stock Capital Assistance Technical Studies Grant Application for two vehicles.
Motion carried.

Mr. Wasson advised that Ms. Dick has been extensively involved in working with IDOT and the Administrator's Staff the last couple of months on modifications and changes that IDOT is proposing for the program in the years to come. He indicated that it has taken up a massive amount of her time and effort. Mr. Wasson thanked Ms. Dick for her efforts.

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

Ms. Michelle Anderson, County Auditor, reviewed her Quarterly Report as of March 31, 2013. She pointed out that the beginning fund balance is unaudited as the CAFR has not yet been published. Ms. Anderson reported that typically the property taxes are not in yet, so it is normal that the net change in the General Fund is negative, particularly on funds dependent upon property taxes.

Ms. Anderson stated that the General Fund has collected almost 31% of its revenues other than property taxes, and has only expended 29.7%. The Special Revenue funds have collected 27% of other taxes and spent about 17%, which is also normal considering some of the Highway Department special revenue funds are seasonal.

Ms. Anderson reported that the Nursing Home is at 28% of its revenue, noting that it is not property tax dependent. The Nursing Home has spent 23% of their budget, which is the only area that shows a positive fund balance for the first quarter.

Ms. Anderson indicated that most of the Special Revenue funds that show a negative balance are probably property tax dependent. She noted that two funds show a negative balance for other reasons than property taxes, namely Court Security, which has been trending down for the past few years, and the Law Library Fund, which needs some attention.

Ms. Anderson reviewed the Year to Year Comparisons Report, noting that 2013 is doing better than 2012. She reported that the General Fund, by Department, shows that two funds are over the 25%. The first is the County Board, which is due to departments making fleet purchases as soon as the budget kicks in. The second is the Jury Commission, which is trending a bit ahead.

Ms. Anderson provided the Committee with an update on implementation of GASB Standards 63 and 65. She indicated that the Outside Auditor requires that these implementations be reported to the Board and the Public. Ms. Anderson stated that it basically changes the Statement of Net Assets to Statement of Net Position. She explained that unearned revenue was always lumped together and this will separate out the deferred revenue.

A review of GASBE No. 63 and No. 65 are as follows:

- **GASB No. 63** – The Governmental Accounting standards Board (GASB) issued State Number 63, *Financial Reporting of Deferred Outflows of Resources, deferred Inflows of Resources, and Net Position*, in June 2011, which will be (was) effective for the County beginning with Fiscal Year ending December 31, 2012. This statement changes how the County reports net position (previously called net assets). GASB issued this Statement to improve financial reporting by standardizing the presentation of deferred outflows of resources and deferred inflows of resources and their effects on a government's net position.
- **GASB No. 65** – The Governmental Accounting standards Board (GASB) issued State Number 65, *Items Previously Reported as Assets and Liabilities*, in March 2012, which was to be effective for the County beginning with Fiscal Year ending December 31, 2013, but, we early implemented the Statement to coincide with the implementation of GASB 63. This Statement establishes accounting and financial reporting standards that reclassify certain items that were previously reported as assets and liabilities, and recognizes them as deferred outflows of resources or deferred inflows of resources. GASB issued this Statement to clarify the appropriate use of the financial statement elements deferred outflows and deferred inflows to ensure consistency in financial reporting.

Ms. Anderson distributed a Fund Balance Presentation 2011 vs. 2012 Report, which is provided annually. Mr. Wasson pointed out that this is a preliminary figure. Ms. Anderson concurred that this is a draft for discussion purposes only.

Ms. Anderson advised that the Outside Auditors have completed the review of the CAFR and will come in next week to discuss the findings.

Ms. Anderson indicated that last year's fund balance was \$12,177,590. She stated that \$563,177 in deferred amounts was subtracted from that figure. Last year the deferred amount was just over \$821,000. Ms. Anderson stated that the budget variance is \$2,454,640 to the positive. The projected net increase is \$1.8 million. The General Fund balance can operate for 161 days. Ms. Anderson stated that the County has to have enough money to get through the June property tax collection. She advised that standards say we should have 90 days and 10%; the County Board policy says 10%, but realistically we need about five months to get us through to our June property tax disbursement. Ms. Anderson noted that we are slightly ahead of that.

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

Ms. Jennifer Ho, Risk Management, presented her First Quarter FY-2013 Risk Management Fund Report. She stated that the Risk Management Fund ended the first quarter of FY'2013 with a net of 37 open claims, after adding nine new claims and closing 4 claims since December 31, 2012. Open claims reserves were reduced by \$7,469 overall. Ms. Ho indicated that overall claims experience for the County is shown in Table 1.

Ms. Ho advised that in terms of new claims activity for FY'2013, as indicated in Table 2, the overall experience is positive, when viewed comparatively over the past five (5) years. The number of work injuries is reduced and though there were two weather-related auto physical damage claims, the incidents were not the fault of County personnel and recovery was made against the third-party carrier, and no County employee was seriously injured.

Ms. Ho indicated that she currently has a safety intern from Illinois State University whose major is in the Occupation of Health and Safety Department in the College of applied Science.

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

Mr. Matt Riehle, Director, Nursing Home, reviewed the Nursing Home Monthly Report. He advised that the in April Nursing Home has received \$1.2 million from back payments from the State of Illinois. Mr. Riehle stated that the census is currently at 145 residents.

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

Mr. Walt Howe, Health Department Administrator, presented a request for approval of an Ordinance of the McLean County Board Amending the 2013 Combined Appropriation and Budget Ordinance for Fund 0106 – Family Case Management Fund. He indicated that the McLean County Health Department has been notified by the Illinois Department of Human Services that it had been awarded \$270,000 for the provision of case management services to at-risk pregnant women, infants and special needs children in McLean County.

Mr. Howe distributed a map that shows that there is a path of counties, including McLean County, experiencing adverse birth outcomes. He pointed out that somewhere between 12-18 per hundred births in McLean County to Medicaid eligible women are premature births, including infants born at 30 weeks or less, infants born as triplets or multiple double births, and birth weights less than 3.31 pounds. Mr. Howe indicated that the State wishes to create an intensive program to increase better birth outcomes. He stated that the \$270,000 will be used to add four Registered Nurses (RN's) to the staff to work with this intensive pre-natal population.

Mr. Howe advised that there are about 16 factors that identify individuals as high risk, including substance abuse during pregnancy, medical conditions that impact the pregnancy, previous pre-term births, history of miscarriages, pre-pregnancy weight of less than 100 pounds, HIV or repeated STD's, pregnant with multiple children, domestic violence and mental health issues.

Mr. Howe stated that the four RN's will serve a caseload of no more than 30. These individuals will be seen consistently on a weekly basis. Mr. Howe added that this high risk population needs "hand-holding" to make sure they make it to their appointments.

Mr. Howe advised that services are budgeted for the period April 1, 2013 through December 31, 2013. The funds will be used as follows:

- \$229,044 is budgeted for the support of 3.78 FTE Registered Nurses working full-time for the nine months covered by this amendment (\$169,840 covers salary and \$59,204 for Social Security, IMRF and Group Health);
- \$2,000 for program supplies;
- \$26,465 for transportation services to assist qualifying pregnant women and their children to make their medical appointments and decrease transportation barriers for other ancillary medical needs;
- \$16,600 for gas cards to be distributed to qualifying participants;
- \$9,856 for contractual arrangements for cab services;
- \$12,500 for an educational billboard campaign to inform the public, especially the targeted populations eligible for these services.

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Chairman Owens asked if the RN's are aware that when the funding ends, the positions end. Mr. Howe replied that they are aware.

Motion by Wollrab/O'Connor to Recommend Approval of an Ordinance of the McLean County Board Amending the 2013 Combined Appropriation and Budget Ordinance for Fund 0106 – Family Case Management Fund.
Motion carried.

Mr. Howe presented a request for approval of a Resolution Amending the Fiscal Year 2013 McLean County Full-time Equivalent Position Resolution associated with an Ordinance to Amend the Fiscal Year 2013 McLean County Combined Appropriation and Budget Ordinance for Fund 0106 – Family Case Management Fund.

Motion by Wollrab/Soeldner to Recommend Approval of a Resolution Amending the Fiscal Year 2013 McLean County Full-Time Equivalent Position Resolution Associated with an Ordinance to Amend the Fiscal Year 2013 McLean County Combined Appropriation and Budget Ordinance for Fund 0106 – Family Case Management Fund.
Motion carried.

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

Ms. Kathy Michael, County Clerk reviewed her March 2013 Monthly Report. She noted that the County Clerk's Office is going into its busy Marriage License period.

Ms. Michael reported that the County Administrator's Office has been helpful in coordinating efforts to begin preparation for the transition of the Recording Program.

Mr. Soeldner expressed concern with the low voter turnout. There was a brief discussion on the issue.

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

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

Ms. Hannah Eisner, Assistant County Administrator, distributed and reviewed an updated list of critical personnel position requests which have been received by the County Administrator's Office since April 26, 2013. All positions listed below are budgeted and funded through the end of FY 2013.

Health Department

1) Request to fill 1 FTE Family Case Management Program Public Health Nurse position that has been vacated

The resignation of a public health nurse has created a vacancy in the Health Department. This position is responsible for providing Family Case Management services, Intensive Pregnancy Case Management services, Lead Case Management services, and genetic programming. All services provided are requirements set forth through grant funded contracts with the Illinois Department of Human Services and the Illinois Department of Public Health.

The Family Case Management program provides critical case management services to pregnant women and children under the age of one. The program is aimed at reducing McLean County's infant mortality rate through integrated efforts with the federally funded Women, Infants, and Children Nutrition Education and Supplemental Food Program (WIC). The primary strategy is to identify women early in pregnancy, assist them with finding health care, encourage them to avoid health risks and refer them to

community services. Maternal Child Health Programming reduces overall health care expenditures and improves birth outcomes.

This position must be filled to maintain current service levels. The inability to provide services may result in FY14 fiscal reductions and reductions in vital matching monies essential to maintaining core services.

2) Request to fill 1 FTE CD/Health Program Nursing Supervisor

The resignation of the nursing supervisor for the Communicable Disease Program has created a vacancy in the Health Department. The Nursing Supervisor has primary responsibility for insuring compliance with the requirements of the Local Health Protection Grant that provides funding for this program. The duties of the position include supervising staff, keeping laboratory equipment operating at state and federal standards, insuring compliance with OSHA regulations and providing clinical services.

This position must be filled to maintain quality control and adherence to statutory requirements. Failure to meet these standards could result in a loss of funding essential to providing critical services.

Public Defender

1) Request to fill 1 FTE Legal Assistant 1 position in the Public Defender's Office.

The resignation of a Legal Assistant I staff member has created a vacancy in the Public Defender's Office. The vacated position primarily assists two attorneys in the Associate Division/DUI and traffic offenses. Current personnel cannot redistribute or assume these duties due to current caseloads. The position also serves as the main receptionist for the office.

Past reductions of two 1.0 FTE Legal Assistant I and one 0.43 FTE Clerical Assistant remain vacant. This most recent vacated position has taken on a portion of the redistributed workload of these FTE reductions/vacancies.

Nursing Home

1) The following positions were vacated and refilled pursuant to the patient care exemption: 1.0 FTE Nursing Home Assistant and 1.0 FTE Food Services Assistant

Children's Advocacy Center

1) The following positions were vacated and refilled pursuant to the exemption for grant funded positions: 1 FTE Case Manager.

Ms. Wollrab recommended that the available positions be identified as to whether they are resignations or terminations.

Motion by O'Connor/Wollrab to Recommend Approval of the
Critical Personnel Hiring Requests.
Motion carried.

Mr. Wasson presented two requests regarding the Fiscal Year 2014 Budget preparation. The first is a request for approval of the Resolution establishing the Budget Policy for Fiscal Year 2014. He noted that the only changes are the dates. Mr. Wasson advised that it will be a struggle to come as close to last year's budget as possible. The second item is a request for approval of Schedule A – Calendar for Preparation of the Fiscal Year 2014 Budget, Five Year Capital Improvement Budget, and the

Recommended Three Year Budget. He stated that the Calendar reflects the same calendar that has been used historically.

Chairman Owens recommended that both the Resolution and the Calendar be considered together.

Motion by Soeldner/O'Connor to Recommend Approval of the Resolution Establishing the Budget Policy for Fiscal Year 2014; and to Recommend Approval of Schedule A – Calendar for Preparation of the Fiscal Year 2014 Budget, Five Year Capital Improvement Budget, and Recommended Three Year Budget.
Motion carried.

Mr. Wasson advised that the County had a large outstanding amount due from IDOT to the Highway Department that was shown as deferred revenue. He reported that a large portion of this revenue came at the end of last week, but too late to be counted in FY'2012. Unfortunately, it was too late to be included in the CAFR. Mr. Wasson indicated that we continue to see relatively better cash flow coming from the State in all grant areas compared with two years ago. He added that this is nearing what the County has experienced as a normal situation prior to the recession.

Mr. Wasson stated that the Administrator's Office continues to monitor the changes in legislation in Springfield, and continues to be concerned about the possibility of the State reducing local revenue streams, especially on income tax revenue. He indicated that he has not seen a tremendous number of bills that significantly threaten the County's revenue streams at the moment, but he continues to monitor the many shell bills that exist that may be introduced with legislation that would negatively impact the County's financial standing. Mr. Wasson noted that he will let the Finance Committee know should he see anything that would dramatically impact the County.

Mr. Soeldner asked if Mr. Wasson had received any inquiries regarding the 1% school sales tax that some of the other Counties have passed or tried to pass. Mr. Wasson replied that he has had casual conversations with school district staff. He indicated that no communications have been received relative to a plan of action, or a determination that that is what they want to do.

Mr. Soeldner asked if a decision is made to pursue the 1% school sales tax, does it only mean that the question will be placed on the ballot. Mr. Wasson replied that if school districts representing a majority of students in the County request such, it would go on the ballot and it is up to the voters.

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Chairman Owens presented the April 30, 2013 Finance Committee bills for review and approval as transmitted by the County. The Finance Committee bills include a Prepaid Total of \$1,389,984.99 and a Fund Total that is the same.

Motion by Wollrab/O'Connor to recommend approval of the Finance Committee bills as of April 30, 2013 as recommended by the County Auditor.
Motion carried.

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Chairman Owens presented the April 30, 2013 Nursing Home bills for review and approval as transmitted by the County Auditor. The Nursing Home bills include a Prepaid Total of \$511,720.17 and a Fund Total that is the same.

Motion by Erickson/Wollrab to recommend approval of the Nursing Home bills as of April 30, 2013 as recommended by the County Auditor.
Motion carried.

There being nothing further to come before the Committee at this time, Chairman Owens adjourned the Finance Committee at 5:11 p.m.

Respectfully Submitted,

Judith A. LaCasse
Recording Secretary

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