

## Minutes of the Finance Committee

The Finance Committee of the McLean County Board met on Wednesday, September 4, 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, Rankin, Erickson and O'Connor

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, Treasurer; Ms. Michelle Anderson, County Auditor

Others Present: Ms. Annie Cummings, Chief Deputy County Auditor

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

Chairman Owens presented the minutes of the August 7, 2013 Finance Committee meeting for approval.

Motion by O'Connor/Erickson to Approve the Minutes of the  
August 7, 2013 Finance Committee meeting.  
Motion carried.

Chairman Owens presented the County Clerk's Monthly Report as submitted by Ms. Kathy Michael, County Clerk, who was unable to attend the meeting. There were no questions on the report.

Ms. Becky McNeil, County Treasurer, presented two requests that were acted upon together. The first was a request for approval of a Resolution Authorizing the Chairman of the McLean County Board to Execute a Deed of Reconveyance on PIN 12-07-251-008. The second was a request for approval of a Resolution Authorizing the Chairman of the McLean County Board to Execute a Deed of Reconveyance on PIN 22-28-102-005.

Ms. McNeil reminded the Committee that the County Board previously entered into an agreement with Joseph Meyer and Associates to create a Delinquent Real Estate Tax Liquidation Program. The primary goal of the program is to recover delinquent real

estate taxes for the benefit of all taxing districts. Ms. McNeil added that the second goal is to return unproductive and abandoned parcels back to productive use and subsequently, the tax rolls of the County.

Ms. McNeil indicated that the property taxes for PIN 12-07-251-008 and PIN 22-28-102-005 were left unpaid for tax year 2009 and were sold to the Trustee at the 2010 annual tax sale. The subsequent taxes for tax year 2010 and 2011 were also left unpaid and sold to the Trustee. In accordance with the Illinois Property Tax Code, the County of McLean, as Trustee for the taxing districts, acquired title in 2013 through the Delinquent Real Estate Tax Liquidation Program. Ms. McNeil stated that an offer has been received from the owners of said properties. Consequently, the offers accepted recovered an amount equivalent to all prior unpaid taxes.

Ms. McNeil advised that the Surplus auction this year was huge compared to prior years.

Chairman Owens asked if these are small parcels. Ms. McNeil replied that one of the properties is a pond or lake that belongs to a condominium association and one of the parcels is a lot in Arrowsmith that the owner decided to maintain ownership.

Mr. Soeldner asked if this is a rare occurrence. Ms. McNeil replied that this is not a rare occurrence. She indicated that the Committee will continue to see more of these because of the number of parcels in the program, which increased by 31 parcels this year. Ms. McNeil added that there will be more conveyances and reconveyances on the agenda in the next month or two.

Motion by Soeldner/Rankin to Recommend Approval of a Resolution Authorizing the Chairman of the McLean County Board to Execute a Deed of Reconveyance on PIN 12-07-251-008; and to Recommend Approval of a Resolution Authorizing the Chairman of the McLean County Board to Execute a Deed of Reconveyance on PIN 22-28-102-005..  
Motion carried.

Ms. McNeil presented her Financial Reports for the period ending August 31, 2013. She reviewed the Summary of Tax Vouchers from January 2013 through August 31, 2013 that she included to show how these tax receipts fluctuate. Ms. McNeil noted that when Mr. Wasson establishes the budget of \$6,324,000.00 for Retailer's Occupation Tax, you can see how we are moving. She stated that this year we are seeing that, in most cases, our receipts are above last year, which is very positive. Ms. McNeil noted that, at 2/3rds of the way through the year, the County is at 65.7% on the County Sales

Tax, Countywide Sales and Local Use. She added that we would like to be at 66%, which is pretty much on target.

Ms. McNeil pointed out that the County is above budget for Income Tax at 72%. She pointed out how much the Personal Property Replacement Tax fluctuates, which is currently at 90.9% of budget and we still have two more payments coming from PPRT.

Ms. McNeil advised that the County is in a very good position with revenue at this time.

Ms. McNeil reviewed the Treasurer's Investment Report, noting that some CDs matured this past month and were renewed at average renewal rates. She indicated that many of the banks collect property taxes for the County.

Ms. McNeil advised that the total of all funds is \$46,005,177.19. She noted that, as requested last month, she looked at the figures from one year ago and the total of all funds was at \$42,000,000. Ms. McNeil added that this could just be a timing issue.

Motion by O'Connor/Wollrab to accept and place on file the Month-end Financial Reports from the County Treasurer's Office for the month ending August 31, 2013, as submitted.  
Motion carried.

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

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. Michelle Anderson, County Auditor, stated that Ms. Annie Cummings, Chief Deputy County Auditor will review the Personnel Audit Summary Report.

Ms. Cummings reviewed the report, noting that there were no major findings and nothing that indicated that the appropriate internal controls were not in place in the payroll area. She noted that there were a few minor discrepancies in the files, which have already been corrected. Ms. Cummings added that there was a discrepancy in the McLean County Personnel Policies and Procedures, primarily for the units that are outside of the ordinary, namely FOP Corrections (TOPS), Nursing Home (TOPS), Juvenile Detention Center (TOPS) and Labor Metcom (TOPS). She explained that there were a few discrepancies where we actually have in place what matches the union agreement and the specific policies, but what is on the County Website does not match what is being done. Ms. Cummings recommended that this be updated so that it matches what is being done.

Ms. Cummings indicated that she also discovered that the maximum sick accrual of 720 hours is not being applied to the Nursing Home, where a few employees were still receiving 760 hours. She noted that the Administrator's Office agreed to change that going forward, but the few people affected by this that have that maximum hours of 760 will be left intact.

Ms. Cummings recommended that the Policies and Procedures be updated so that they are more complete and indicate the correct rates, and recommend better communication to make sure the Treasurer's Office is aware of these policy changes when they happen.

Ms. Anderson stated that these are minor findings and this is more a need for better communication between offices.

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

Chairman Owens presented the County Clerk's Monthly Report as submitted by Ms. Michael, County Clerk, who went home ill. There were no questions on the report.

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

Ms. Eisner reviewed the critical personnel position requests which have been received by the County Administrator's Office through August 28, 2013. All positions listed below are budgeted and funded through the end of FY 2013.

#### Sheriff

##### 1) Request to fill 2.0 FTE Deputy Patrol Officers.

There are currently two vacant deputy patrol officer positions in the Sheriff's Department. There are a total of 31 FTE deputy patrol officer positions authorized for FY 2013. The Sheriff must have all positions filled to meet minimum staffing for all shifts. In addition to the vacant positions, there is one officer out on medical leave. Deputies are forced to work overtime to fill any gaps when staffing is below the authorized number. This not only creates additional overtime costs, but it takes a toll on staff who are consistently asked to work additional hours. This position must be filled to insure public safety.

Nursing Home

1) The following positions were vacated and refilled pursuant to the patient care exemption:

1 FTE Food Service Assistant

Mr. Wasson advised that Mr. Matt Riehle, Director, Nursing Home, has resigned his position. He noted that Mr. Riehle has had opportunities become available and he will be leaving in the not too distant future.

Mr. Wasson stated that the Administrator's Office will be bringing to the Executive Committee a Management Agreement with a firm that does only management; it does not take over the Nursing Home and it doesn't deal with staffing. He noted that the firm provides management services for DeKalb and Champaign Counties. Mr. Wasson stated that he has received very good references from them.

Mr. Wasson advised that this agreement will be an interim agreement to allow time to assess strategies for moving forward to determine a plan for the administration of the Nursing Home, whether it be hiring a new administrator and/or other options that may be available, including management firms. He added that this firm will also provide an analysis, such as they have done for Peoria County and several other locations. The firm has a niche market working with the Illinois Nursing Homes predominantly. Mr. Wasson stated that one of their strong suits is that they do a financial analysis and make recommendations regarding operations. As part of the interim agreement, the firm will include a financial analysis.

Mr. Rankin asked if contracting with an outside firm is becoming a standard procedure throughout the state of Illinois. Mr. Wasson replied that this firm actively manages three county nursing homes right now, and have provided consulting with Peoria, and a couple other counties, including a financial analysis and operational recommendation plans. This firm provides DeKalb and Champaign County with a manager and a licensed nursing home administrator for those facilities, but the employees remain county employees.

Mr. Rankin asked what oversight the County has on a department head versus an agency and would the agency show up to Finance Committee meetings. Mr. Wasson replied that a manager would attend the meetings. Mr. Rankin asked if there is a cost savings associated with using a firm such as this. Mr. Wasson replied that in conversations with DeKalb and Champaign, the strengths this firm would bring to McLean County include strategies for care, strategies for procurement, and strategies for reimbursement under Medicaid and Medicare.

Mr. Wasson noted that McLean County is a very well-run Nursing Home.

Ms. O'Connor asked what are the downsides to hiring a management firm to administer the Nursing Home. Ms. Eisner noted that the County is in a position where it needs a licensed administrator and this firm will provide a body to act as an administrator full-time who does the work and has a license. Mr. Wasson added that since the management firm took over the administration of the Nursing Home in Champaign County, they have greatly increased resident satisfaction

Ms. Wollrab asked if we are looking at using this firm in a permanent position or just in the interim until we hire another administrator. Mr. Wasson replied that this will give the County an opportunity to evaluate them as we evaluate a search process as well. Ms. Eisner added that the firm can assist in recruiting a full-time administrator. Mr. Wasson advised that with an interim agreement, it provides the County with all of these options.

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

Chairman Owens stated that, at this time, the Committee needs to schedule an extra budget meetings for October. After a discussion, it was determined that the Finance Committee will schedule a Special Finance Committee meeting on Wednesday, October 9<sup>th</sup> beginning at 4:00 p.m. In addition, the regular Finance Committee meeting will begin at 4:00 p.m. A portion of the budget review will be done at the Regular Finance Committee meeting and the rest of the budgets will be reviewed on October 9<sup>th</sup>.

Mr. Rankin requested that staff review the roll of the Auditor's Office as well as to clarify the fiduciary responsibility of the committees and how the recommendations will come specifically from the Auditor's Office. Mr. Wasson asked if he wants the Administrator's Office to review the current policies and procedures and make recommendations. He added that the Auditor agreed to have conversations relative to that as well.

Chairman Owens presented the August 31, 2013 Finance Committee bills for review and approval as transmitted by the County. The Finance Committee bills include a Prepaid Total of \$1,049,339.55 and a Fund Total that is the same.

Motion by Rankin/Wollrab to recommend approval of the Finance Committee bills as of August 31, 2013 as recommended by the County Auditor.  
Motion carried.

Chairman Owens presented the August 31, 2013 Nursing Home bills for review and approval as transmitted by the County Auditor. The Nursing Home bills include a Prepaid Total of \$224,926.54 and a Fund Total that is the same.

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Motion by O'Connor/Rankin to recommend approval of the Nursing Home bills as of August 31, 2013 as recommended by the County Auditor.  
Motion carried.

Chairman Owens presented two transfers. One is a transfer of \$1,214 in Torte Judgment Fund 0001 and the second is a transfer of \$250 in Tort Judgment Fund 0001.

Motion by O'Connor/Rankin to recommend approval of two transfers in the Tort Judgment Fund 0001 in the amounts of \$1,214 and \$250.  
Motion carried.

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

Motion by Wollrab/Erickson to Recommend the Finance Committee go into *Executive Session* at 5:00 p.m. to discuss Collective Bargaining with the Committee Members and Staff.  
Motion carried.

Motion by Wollrab/O'Connor to recommend the Finance Committee return to *Open Session* at 5:17 p.m.  
Motion carried.

There being nothing further to come before the Committee at this time, Chairman Owens adjourned the Finance Committee at 5:18 p.m.

Respectfully Submitted,

Judith A. LaCasse  
Recording Secretary

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