

Minutes of a Special Finance Committee Meeting

The Finance Committee of the McLean County Board held a special meeting on Wednesday, October 9, 2013 at 4:00 p.m. in Room 400 of the Government Center, 115 East Washington Street, Bloomington, Illinois.

Members Present: Chairman Owens; Members Butler, O'Connor, Wollrab, McIntyre 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: Mr. Bob Kahman, Supervisor of Assessments; Ms. Jeanene Payne, Director, Correctional Health Service; Mr. Jack Moody, Interim Director, Nursing Home; Ms. Jennifer Ho, Risk Management; Ms. Becky McNeil, County Treasurer; Mr. Walt Howe, Health Department Administrator

Others Present: Ms. Connie Clifford, Chief Deputy Assessment Officer, Supervisor of Assessment's Office; Ms. Cathy Dryer, Fiscal Services Supervisor, Health Department; Ms. Jan Morris, Health Promotion Program Manager, Health Department; Ms. Cathy Coverston-Anderson, Assistant Health Department Administrator; Ms. Kim Anderson, Supervisor, Maternal Child Health Program, Mr. Tom Anderson, Director, Environmental Health Division, Health Department; Ms. Shelly Butler, Clinic Nurse for Health Services, McLean County Jail

Chairman Owens called the meeting to order at 4:00 p.m. to review the FY'2014 Recommended Budget.

Bloomington Election Commission – 0001-0048 can be found on pages 219-222 of the FY'2014 Recommended Budget and pages 4-6 of the Summary in the Agenda Packet. Mr. Wasson noted that the County is required, under State Statute, to provide for the salary of the Director and Assistant Director of the Bloomington Election Commission, and to provide election expense.

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'2014 Recommended Budget. This amount is based on the anticipated payment to be made to the County in December, 2013 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'2014 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 increase in the contractual line item remains the same at projected overall change in the County's adjusted equalized assessed valuation. This line item account decreases \$47.00 from \$468,086 in the FY'2013 Adopted Budget to \$468,039 in the FY'2014 Recommended Budget.

Motion by Wollrab/O'Connor to recommend tentative approval of the Bloomington Election Commission – (0001-0048) FY'2014 Recommended Budget as submitted.
Motion carried.

Mr. Rankin expressed concern with the fact that there are two election commissions. He would like to see the Bloomington Election Commission abolished and have one County-wide election commission. Mr. Wasson stated that there would have to be a referendum to eliminate the Bloomington Election Commission. He explained that it would take a couple steps; first, a referendum to abolish the Bloomington Election Commission, which would place it back in the County Clerk's office. Second, it would require another referendum to institute a County-wide election commission.

Supervisor of Assessments – 0001-0049 can be found on pages 223-228 of the FY'2014 Recommended Budget Book and pages 7-10 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 increases slightly from \$41,336 in the FY'2013 Adopted Budget to \$41,692 in the FY'2014 Recommended Budget based upon the anticipated reimbursement to be received from the State for a portion of the Supervisor of Assessments' salary.

450.0011 Transfer from Other Funds: The transfer in the amount of \$30,000 is budgeted for the first time since 2011, when lack of sufficient revenue collected by the Recorder's Office (Fund 0137 in the FY'2010 Adopted Budget required the elimination of approximately \$85,000 for funding of one GIS Technician prior to 2011. This reflects a (0.35) FTE position collected by the Recorder's Office (Fund 0137) and meets the statutory requirement that the funds directed to Fund 167 & 137 Statute be used for support of GIS support function.

EXPENDITURES:

Personnel:

The FY'2014 Recommended Budget staffing levels remains the same as in the FY'2013 Adopted Budget. Included is a 5% increase in per-diem employee salary for the Board of Review, which has not been adjusted since FY 2000.

Materials and Supplies:

All Materials and Supplies line item accounts have been budgeted in the FY'2014 Recommended Budget at the same level or less than in the FY'2013 Adopted Budget.

Contractual:

All Contractual line item accounts have been budgeted in the FY'2014 Recommended Budget at the same level or less as in the FY'2013 Adopted Budget with the following exceptions:

701.0001 Advertising: This line item account has increased from \$27,500 in the FY'2013 Adopted Budget to \$28,200 in the FY'2014 Recommended Budget due to increase actual advertising costs for required notices.

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715.0001 Dues/Memberships: This line item account has increased from \$620 in the FY'2013 Adopted Budget to \$800 in the FY'2014 Recommended Budget due to increase in professional association dues.

718.0001 Schooling/Conferences: This line item account has increased from \$800 in the FY'2013 Adopted Budget to \$840 in the FY'2014 Recommended Budget due to need to provide continuing training for new Board of Review Members.

793.0001 Travel Expense: This line item account has increased from \$200 in the FY'2013 Adopted Budget to \$300 in the FY'2014 Recommended Budget due to increased activities.

Motion by Rankin/Soeldner to recommend tentative approval of the Supervisor of Assessments – (0001-0049) FY'2014 Recommended Budget as submitted.
Motion carried.

Tort Judgment Fund – Juvenile Detention Health – 0135-0077 can be found on pages 331-334 of the FY'2014 Recommended Budget and pages 11-14 of the Summary in the Agenda Packet.

Note: Tort Judgment Fund – Juvenile Detention Health 0135-0077-0022 and Tort Judgment “Fund – Correctional Health Services 0135-0077-0073 were considered together.

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'2014 Recommended Budget, the same amount approved in the FY'2013 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'2014 Recommended Budget.

Materials and Supplies:

All Materials and Supplies line item accounts have been budgeted in the FY'2014 Recommended Budget at 2% less than the FY'2013 Adopted Budget.

Contractual:

All Contractual line item accounts have been budgeted in the FY'2014 Recommended Budget at the same levels or less than the FY'2013 Adopted Budget with the following exceptions:

706.0001 Contractual Services: This line item account has increased from \$44,872 in the FY'2013 Adopted Budget to \$45,467 in the FY'2014 Recommended Budget, based upon actual contract cost.

715.0003 Accreditation: This line item account has increased from \$1,105 in the FY'2013 Adopted Budget to \$1,140 in the FY'2014 Recommended Budget based upon actual contract cost.

Tort Judgment Fund – Correctional Health Services – 0135-0077 can be found on pages 335-339 of the FY'2014 Recommended Budget and pages 15-18 of the Summary in the Agenda Packet.

Mr. Wasson noted that the Administrator's Office spent time working with Ms. Jeanene Payne and Ms. Shelly Butler on the budget proposal. He advised that, after assessing the staffing levels, adjustments and recommendations will be made that will decrease the overall requirement for the Tort Judgment Fund.

Highlights of the Recommended Budget:

REVENUE:

401.0001 General Property Taxes: This revenue line item account has increased from \$2,695,455 in the FY'2013 Adopted Budget to \$2,813,913,566 in the FY'2014 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.

Mr. Wasson stated that this reduction is due to reductions in expenditures.

EXPENDITURES:

Personnel:

There are no changes in the FTE Staffing level for Jail Health Services in the FY'2014 Recommended Budget: After review with Jail medical personnel, the clinic nurse position represents one of four previous RN staffed positions and with part-time levels returned to FY 2013 levels, sufficient personnel should be available. Personnel turnover accounts for slight salary budget reductions in some lines from FY'2013.

Reductions are as follows:

0503.0001 Full-time Employee Sal. Should be amended for FY 2014 Recommended from \$442,390 to \$394,390.

Mr. Wasson pointed out that this budget decreases as a result of an analysis of staffing available. He noted that Ms. Payne believes that they can work with the current framework of number of positions. Some adjustments were made to what positions were occupied. Mr. Wasson stated that a Clinic Nurse position was created to provide some assistance to the Director of Health Service. He pointed out that the FTE sheets show four registered nurses plus a clinic nurse, but it should have been three registered nurses plus a clinic nurse; and the part-time LPN level will be maintained which was zeroed out initially in the budget. The part-time salary will need to be increased, as noted below. The FTE's will then return to .4 FTE for the LPN part-time position.

515.0001 Part-time Employee Sal. Should be amended for FY 2014 Recommended from \$30,204 to \$49,807.

599.0002 Employee/Med. Life Should be amended for FY 2014 Recommended from \$49,419 to \$43,928.

Mr. Wasson advised that this returns Correctional Health to the same staffing levels that they have historically maintained. With the hiring of personnel to fill the unoccupied positions, a point has been reached where service is running smoothly and effectively.

Materials and Supplies:

All Materials and Supplies line item accounts have been budgeted in the FY'2014 Recommended Budget at the same level or less than the FY'2013 Adopted Budget.

Contractual:

All Contractual line item accounts have been budgeted in the FY'2014 Recommended Budget at the same levels as in the FY'2013 Adopted Budget with the following exceptions:

706.0003 Counseling/ Psychiatric Services: This line item account has increased from \$97,881 in the FY'2013 Adopted Budget to \$98,716 in the FY'2014 Recommended Budget. This increase is based on anticipated contracts for psychological and psychiatric services provided by Correctional Health Corp. and Real Change Clinical Services.

715.0003 Accreditations: This line item account has increased from \$1,646 in the FY'2013 Adopted Budget to \$1,682 in the FY'2014 Recommended Budget. This increase is based on anticipated contracts for accreditation.

750.0001 Medical Director Services: This line item account has increased from \$54,694 in the FY'2013 Adopted Budget to \$56,900 in the FY'2014 Recommended Budget. This increase is based on anticipated contracts for medical director services.

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

Motion by Rankin/Wollrab to recommend tentative approval of the Tort Judgment Fund – Juvenile Detention Health – (0135-0077) FY'2014 Recommended Budget as submitted; and to recommend tentative approval of the Tort Judgment Fund – Correctional Health Services – (0135-0077) FY'2014 Recommended Budget as amended to increase 401.0001 General Property Taxes from \$2,695,455 in the FY'2013 Adopted Budget to \$2,813,913,566; to decrease Line Item 0503.0001 Full-time Employee Salary from \$442,390 to \$394,390; to increase Line Item 515.0001 Part-time Employee Salary from \$442,390 to \$394,390; and to decrease Line Item 599.0002 Employee/Med. Life from \$49,419 to \$43,928
Motion carried.

Tort Judgment Risk Management – 0135-0077 can be found on pages 340-344 of the FY'2014 Recommended Budget and pages 19-23 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'2014 Recommended Budget.

Materials and Supplies:

All Materials and Supplies line item accounts have been budgeted in the FY'2014 Recommended Budget at the same level or less than the FY'2013 Adopted Budget with the following exceptions:

621.0001 Non-major equipment: This line item account has increased from \$294 in the FY'2013 Adopted Budget to \$500 in the FY'2014 Recommended Budget. This is to allow for the purchase of trial safety equipment.

Contractual:

All Contractual line item accounts have been budgeted in the FY'2014 Recommended Budget at the same level or less than the FY'2013 Adopted Budget with the following exceptions:

705.0001 Consultants: This line item account has increased from \$1,000 in the FY'2013 Adopted Budget to \$8,600 in the FY 2014 Recommended Budget to perform actuarial study last completed in 2010.

705.0001 Contract Services: This line item account has increased from \$25,000 in the FY'2013 Adopted Budget to \$26,000 for the contracted increase for PELEWC Insurance services.

719.0001 General Liability Insurance: This line item account has increased from \$240,987 in the FY'2013 Adopted Budget to \$244,209 in the FY'2014 Recommended Budget. This increase is based upon anticipated increased due to market conditions.

719.0004 Property Insurance: This line item account has increased from \$97,000 in the FY'2013 Adopted Budget to \$118,586 in the FY'2014 Recommended Budget. This increase is based upon anticipated increased due to market conditions.

719.0009 Worker Compensation: This line item account has increased from \$39,000 in the FY'2013 Adopted Budget to \$55,000 in the FY'2014 Recommended Budget. This increase is based upon anticipated increases due to market conditions.

719.1000 Claims Admin: This line item account has increased from \$17,000 in the FY'2013 Adopted Budget to \$18,000 in the FY'2014 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.

719.1002 Auto Liability Claims: This line item account has increased from \$10,000 in the FY'2013 Adopted Budget to \$30,000 in the FY'2014 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.

Transfer to Other Funds:

999.0001 Transfer to Other Funds: This line item account increases from \$156,336 in FY 2013 to \$228,250 in the FY'2014 Recommended Budget. 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.

Ms. Ho reviewed some of the recent claims and influences of the outside market that caused an increase in many of these areas. She also reviewed the actuarial study and how it will help determine future budgets.

Motion by Soeldner/Wollrab to recommend tentative approval of the Tort Judgment Risk Management – (0135-0077) FY'2014 Recommended Budget as submitted.
Motion carried.

Tort Judgment – Civil Division – 0135-0077 can be found on pages 345-348 of the FY'2014 Recommended Budget and pages 24-26 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'2014 Recommended Budget. Changes in salary level reflect changes in assigned personnel to this division.

Materials and Supplies:

All Materials and Supplies line item accounts have been budgeted in the FY'2014 Recommended Budget at or below the FY'2013 Adopted Budget.

Contractual:

Contractual line item accounts have been budgeted in the FY'2014 Recommended Budget at or below the FY'2013 Adopted Budget with the following exception:

778.0002 Administrative Surcharge: Administrative surcharge has been increased by \$140 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'2014 Recommended Budget as submitted.
Motion carried.

Chairman Owens advised that there was a discussion at the Executive Committee meeting last night regarding a contract that is pending and was tabled to a Stand-up meeting of the Executive Committee next Tuesday morning. He indicated that the contract is a recommendation coming from Mr. Wasson to hire consulting and management services for the Nursing Home. Chairman Owens asked Mr. Wasson to provide a review of the situation.

Mr. Wasson stated that the goal of the proposal is to provide administrative support and knowledge to the McLean County Nursing Home while a search process is conducted to hire a new Nursing Home Administrator. He noted that this is a time when healthcare is in significant flux, and one of the challenges for nursing homes, particularly public-pay nursing homes, is the mechanisms in which the Nursing Home will receive payment in the future.

Mr. Wasson advised that the McLean County Nursing Home has over 70% of its residents on Medicaid or Medicare, so it is a very large component. He stated that, historically, the intent of the facility is to provide for those individuals who are having a difficult time getting admission to other facilities. Mr. Wasson noted that one of the challenges is that the County has a very knowledgeable department head with County Government in Mr. Moody, but Mr. Moody has not had the opportunity to be current on the financial aspects of running a nursing home today, including ACA, insurance, Medicaid, Medicare, etc.

Mr. Wasson indicated that it is advisable to bring someone in to assist with the management oversight of the Nursing Home while a search is conducted. He stated that it is hoped that a new Nursing Home Administrator can be identified and the Nursing Home can move forward.

Mr. Wasson noted that the payments for Medicaid dual eligible patients is going to change; instead of coming directly from Medicaid from the State, it is going to flow through insurance providers, which are being established by the State of Illinois. Mr. Wasson stated that it is important to have someone with that expertise and knowledge that can come in to assist Mr. Moody and the staff to put together a program as the search for a new administrator is conducted.

Mr. Wasson indicated that the direction from the Executive Committee last night was to take the proposals and work with them to provide similar agreements and bring back to Executive Committee for a stand-up meeting on Tuesday morning.

A discussion was held regarding the vendors as well as the services each can provide.

Mr. Wasson stated that the Executive Committee directed the Administrator's Office to break the two proposals down to the three components (temporary management, operational review and search assistance) and consider each one separately at the Stand-up meeting.

Chairman Owens suggested that members of the Finance Committee attend the 8:00 a.m. Executive Committee Stand-up meeting next Tuesday.

Nursing Home – 0401-0090 can be found on pages 373-384 of the FY'2014 Recommended Budget Book and pages 27-34 of the Summary.

Mr. Wasson advised that the Nursing Home budget was constructed by Mr. Riehle before he left. Mr. Wasson recommended that this budget be approved as presented. He indicated that the opportunity to review the budget will be given to the new Nursing Home Administrator after the transition.

Ms. O'Connor asked for clarification on Line Item 0410-0014 Meal Reimbursements that increased by 799%. Ms. Eisner explained that the Nursing Home instituted a program where the staff can eat at the Nursing Home for \$2.00. Mr. Wasson noted that it has been extremely successful. Ms. Eisner pointed out that the expenses have increased as well.

Mr. Wasson indicated that this is a balanced budget where the revenue balances with expenditures. This is the County's only Enterprise Fund.

Highlights of the Recommended Budget:

REVENUE:

404.0006 Medicare Reimbursement: This line item account has decreased from \$808,110 in the FY'2013 Adopted Budget to \$790,283 in the FY'2014 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.

407.0040 Illinois Public Aid/Medicaid: This line item account has increased from \$4,073,400 in the FY'2013 Adopted Budget to \$4,175,564 in the FY'2014 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'2014 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.

410.0014 Meal Reimbursement: This line item account has increased from \$1,634 in the FY'2013 Adopted Budget to \$14,686 in the FY'2014 Recommended Budget. This revenue amount is based on a review of last year's actual revenues and the year-to-date revenues and the addition of a staff meal program.

410.0028 Private Pay Patient: This line item account has increased from \$1,973,190 in the FY'2013 Adopted Budget to \$2,185,929 in the FY'2014 Recommended Budget. This proposed decrease 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 \$11,733 in the FY'2013 Adopted Budget to \$6,333 in the FY'2014 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 \$800,709 in the FY'2013 Adopted Budget to \$860,629 in the FY'2014 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'2014 Recommended Budget.

Materials and Supplies:

All supplies lines are equal to or less than those in the FY'2013 Adopted Budget, other than the following:

607.0001 Food: This line item has increased from \$373,030 in the FY'2013 Adopted Budget to \$483,000 in the FY'2014 Recommended Budget. This increase reflects the addition of a staff meal program as well as a review of last year's actual expenditures and the year-to-date expenditures as of the date the Recommended Budget was prepared.

610.0001 Linen and Bedding: This line item has increased from \$19,593 in the FY'2013 Adopted Budget to \$21,085 in the FY'2014 Recommended Budget. This increase is based upon a review of last year's actual expenditures and the year-to date expenditures as of the date the Recommended Budget was prepared.

620.0001 Operating/Office Supplies: This line item has increased from \$20,030 in the FY'2013 Adopted Budget to \$21,880 in the FY'2014 Recommended Budget. This increase is based upon a review of last year's actual expenditures and the year-to date expenditures as of the date the Recommended Budget was prepared.

621.0005 Computers Under \$1,000: This line item has increased from \$0 in the FY'2013 Adopted Budget to \$21,880 in the FY'2014 Recommended Budget. This increase is based on the need to upgrade computers from Windows XP to Windows 7.

622.0003 Medication/Medicare: This line item has increased from \$80,300 in the FY'2013 Adopted Budget to \$86,400 in the FY'2014 Recommended Budget. This increase is based upon a review of last year's actual expenditures and the year-to date expenditures as of the date the Recommended Budget was prepared.

624.0001 Cleaning Supplies: This line item has increased from \$63,131 in the FY'2013 Adopted Budget to \$69,131 in the FY'2014 Recommended Budget. This increase is based upon a review of last year's actual expenditures and the year-to date expenditures as of the date the Recommended Budget was prepared.

628.0001 Copying Expenses: This line item has increased from \$2,100 in the FY'2013 Adopted Budget to \$5,100 in the FY'2014 Recommended Budget. This increase is based upon a review of last year's actual expenditures and the year-to date expenditures as of the date the Recommended Budget was prepared.

Contractual:

All contractual lines are at or below a 1% increase from the FY'2013 Adopted Budget, other than the following:

705.0001 Consultant Services: This line item account has increased from \$31,800 in the FY'2013 Adopted Budget to \$32,400 in the FY'2014 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.

706.0006 Temporary Employment Services: This line item account has increased from \$85,000 in the FY'2013 Adopted Budget to \$100,000 in the FY'2014 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 \$16,253 in the FY'2013 Adopted Budget to \$17,304 in the FY'2014 Recommended Budget. This increase is in anticipation of increased waste disposal & biohazard waste disposal costs.

715.0001 Dues and Memberships: This line item account has increased from \$9,874 in the FY'2013 Adopted Budget to \$10,151 in the FY'2014 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 General Liability Insurance: This line item account has increased from \$129,400 in the FY'2013 Adopted Budget to \$150,000 in the FY'2014 Recommended Budget. This increase is based on a review of last year's actual rates and preliminary information on rates for this year available at the time the Recommended Budget was prepared.

719.0004 Property Insurance: This line item account has increased from \$7,000 in the FY'2013 Adopted Budget to \$11,000 in the FY'2014 Recommended Budget. This increase is based on a review of last year's actual rates and preliminary information on rates for this year available at the time the Recommended Budget was prepared.

719.0009 Workmen's Compensation Insurance: This line item account has increased from \$60,000 in the FY'2013 Adopted Budget to \$129,000 in the FY'2014 Recommended Budget. This increase is based on a review of last year's actual rates and preliminary information on rates for this year available at the time the Recommended Budget was prepared.

719.0001 Unemployment Insurance: This line item account has decreased from \$53,000 in the FY'2013 Adopted Budget to \$15,000 in the FY'2014 Recommended Budget. This decrease is based on a review of last year's actual rates and preliminary information on rates for this year available at the time the Recommended Budget was prepared.

750.0001 Equipment Maintenance Contract: This line item account has increased from \$11,651 in the FY'2013 Adopted Budget to \$12,281 in the FY'2014 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.

750.0002 Equipment Maintenance Contract- EMS: This line item account has increased from \$2,900 in the FY'2013 Adopted Budget to \$3,600 in the FY'2014 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.

750.0004 Software License Agreement: This line item account has increased from \$4,620 in the FY'2013 Adopted Budget to \$8,760 in the FY'2014 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 \$8,844 in the FY'2013 Adopted Budget to \$9108 in the FY'2014 Recommended Budget. This increase is based on actual cost for 2013 and the year-to-date expenditures as of the date the Recommended Budget was prepared.

757.0002 Employees Medical Expense: This line item account has decreased from \$3,225 in the FY'2013 Adopted Budget to \$2,630 in the FY'2014 Recommended Budget. This decrease is based on a review of last year's actual rates and preliminary information on rates for this year available at the time the Recommended Budget was prepared.

759.0001 Special Therapy/Medicare: This line item account has decreased from \$147,000 in the FY'2013 Adopted Budget to \$126,000 in the FY'2014 Recommended Budget. This decrease is based on a review of last year's actual rates and preliminary information on rates for this year available at the time the Recommended Budget was prepared.

769.0002 Interest Expense-N. Home: This line item account has decreased from \$354 in the FY'2013 Adopted Budget to \$304 in the FY'2014 Recommended Budget. This decrease is based on a review of last year's actual rates and preliminary information on rates for this year available at the time the Recommended Budget was prepared.

773.0001 Non-Contractual Services: This line item account has increased from \$285,730 in the FY'2013 Adopted Budget to \$310,221 in the FY'2014 Recommended Budget based on a review of last year's actual rates and preliminary information on rates for this year available at the time the Recommended Budget was prepared.

790.0004 Equipment Rental: This line item account has increased from \$5,900 in the FY'2013 Adopted Budget to \$10,400 in the FY'2014 Recommended Budget based on a review of last year's actual rates and preliminary information on rates for this year available at the time the Recommended Budget was prepared.

795.0001 Electric Service: This line item account has decreased from \$125,000 in the FY'2013 Adopted Budget to \$115,000 in the FY'2014 Recommended Budget. This decrease reflects the cost savings achieved by purchasing electric service on the open market.

795.0002 Gas Service: This line item account has decreased from \$70,000 in the FY'2013 Adopted Budget to \$65,000 in the FY'2014 Recommended Budget. This decrease reflects the cost savings achieved by purchasing electric service on the open market.

795.0004 Water Service: This line item account has increased from \$51,600 in the FY'2013 Adopted Budget to \$54,900 in the FY'2014 Recommended Budget. This increase reflects the rate increase and a review of last year's actual expenditures and the year-to-date expenditures as of the date the Recommended Budget was prepared.

Capital Outlay:

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.

Motion by Rankin/O'Connor to recommend tentative approval of the Nursing Home – (0401-0090) FY'2014 Recommended Budget as submitted.
Motion carried.

Chairman Owens asked Mr. Moody if he had a comment to share regarding the management of the Nursing Home. Mr. Moody stated that residents and families of residents have questions about the management contract proposals. He noted that these individuals have enjoyed the aspect that the Nursing Home has been locally owned, and locally operated. Mr. Moody added that the employees would prefer an in-place administrator. He believes that the Nursing Home has been a well-run institution.

Mr. Wasson advised that the biggest public relations challenge is letting people know that the County is not having someone else come in and permanently take the Nursing Home over. Rather, we are trying to gain administrative knowledge and assistance while a search process is conducted.

Health Department can be found on pages 230-284 of the FY' 2014 Recommended Budget and pages 35-42 of the Summary. Mr. Howe introduced Ms. Cathy Dryer, Fiscal Services Supervisor; Ms. Jan Morris, Health Promotion Program Manager; Ms. Cathy Coverston-Anderson, Assistant Health Department Administrator; Ms. Kim Anderson, Supervisor, Maternal Child Health Program, and Mr. Tom Anderson, Director, Environmental Health Division.

Mr. Howe stated that there are three property tax supported funds, as follows:

- Fund #0110, Persons with Developmental Disabilities has an overall tax rate increase of only .25%;
- Fund #0111, T.B. Care and Treatment had the largest share of the tax increase rate of 234%.

Mr. Howe reminded the Committee that this Fund was reduced by \$184,000 last year in tax support to use monies out of the Fund Balance. He noted that this increase brings the Fund back to where it was.

- Fund #0112 the Health Department's largest fund has a rate reduction of 1.37%.

Mr. Howe indicated that there are six grant funds and eight sub-departments within those six grant funds. He noted that these are all self-balancing and have no support from General Property Taxes.

Mr. Howe advised that the combined tax rate for the three supporting levies total 3.86%, even with the increase for the TB Care and Treatment Fund. He noted that if the TB Fund had not been used in the previous year, there would have been a reduction in tax rate. Mr. Howe indicated that the Health Department has historically, over the past 34 years except for two years, reduced tax rates in tax supported rate funds.

Mr. Howe stated that the Health Department has no FTE increases over the FY'2013 Amended Budget levels. He noted that the FY'2014 budget does include an across-the-board salary increase of 1.5%.

Mr. Howe reviewed the grant supported programs, as follows:

Fund 0102 Dental Sealant Grant - This program is expecting a 13% increase in revenue due to the Affordable Care Act (ACA) expansion of eligibility for some limited Medicaid services for adults, and continued expansion of children's services and the insurance pilot project where the Health Department will start accepting private insurance coverage for a number of programs. There are currently 12 insurance programs that have been certified to provide services through the Health Department. The 13% increase can also be attributed to hours being added for the contractual dentist, as well as a modest increase in supplies for use in the dental program.

Fund 0103 WIC – The WIC Program is a federally funded program that is seeing a 3% increase in revenue overall with a 7% increase in the WIC Program for the Nutrition Program. Mr. Howe noted that some of the Lead Case Management program has been moved from WIC to Family Case Management Fund 106. The expenses in the WIC Program remain level with 2013 except for the salary and fringe adjustment associated

with the increase proposed by the County, and a modest increase in medical supplies for lead testing and routine nursing supplies. Mr. Howe indicated that the lead testing program still exists in the WIC Fund because it is part of the requirement of WIC to test individuals, but the Case Management for individuals who have tested for lead is being case managed by Fund 106.

Fund 0105 Preventive Health Program – There is a 9.43% decrease in funding in this grant program. This is the result of a 50% cut in funding from the Komen Grant because the months of the program were reduced from 15 months to 12 months; and a 12% decrease in Medicaid revenue from the Vision Program because vision checkups and glasses can now be found in many places within the community at reduced costs. Mr. Howe noted that personnel have been reduced in that program.

Fund 0106 Family Case Management – Grant funds in Fund 0106 experienced a large increase in funding. Grant funding increased 68% due to two new grant programs. The FCM Program received a \$240,000 grant for an Intensive pre-Natal Case Management program which focuses on case management for high-risk pregnant women in an effort to reduce low birth weight babies in McLean County. New revenue was also received for from an In-Person Counselor grant program that focuses on serving individuals who would have difficulty enrolling in health coverage made available through the ACA without the help of a counselor. The population being served would include but not be limited to individuals with low literacy, limited English proficiency, low-income individuals, people with disabilities and other hard-to-reach populations.

Fund 0107 AIDS/Communicable Disease/Emergency Preparedness – Fund 0107 is being budgeted 15% above the FY'2013 Adopted Budget. West Nile Virus and the AIDS Programs saw large increases in funding while the Emergency Preparedness Grant saw a decrease of 8%. Mr. Howe noted that there has been an increase in West Nile Virus cases in McLean County. He added that the HIV Program is projected to increase due to the fact that they are switching from a flat grant-in-aid program to a fee-for-service based program. Overall expenses have increased to accommodate the two new grant programs.

Mr. Howe reviewed the Tax-supported programs, as follows:

Fund 0110 Persons with Developmental Disabilities – Fund 0110 had a modest .25% increase in tax rate. All FY'2014 contracts for the provision of services to individuals with developmental disabilities have remained constant. The grant funds have been kept flat from FY'2013 to FY'2014, which allowed for the flat tax rate.

Fund #0111 T.B. Care and Treatment had the largest share of the tax increase rate of 234%, which is bringing the program back to its original funding support from the tax levy. Overall, TB fund expenses have increased by only 1.86% or \$5,000 total, which all has to do with additions for insurance, the across-the-board salary and merit increase. The cost of the program has gone down.

Mr. Rankin asked if there has been a negative impact from the County using those funds last year. Ms. Coverston-Anderson replied that there was no negative impact because there was no T.B. outbreak.

Mr. Howe stated that, at the advice of the Finance Committee, the Health Department implemented a fee program for some organizations that require people to be tested routinely for T.B. for employment. There are now five employers who use a voucher program to send their prospective employee in to be tested for T.B. and bill the employer. Other organizations are sending their employees in to pay for the test themselves.

Fund #0112 Health Fund – the Health Department’s largest fund has a rate reduction of 1.37%.

Mr. Howe indicated that the Environmental Health Programs will have a 3% increase in all of their standard programs, including food, water, septic, etc. He noted that the Health Department tried to apply user fees whenever possible to those individuals who actually use the services of the Health Department as part of their business operation.

Mr. Howe stated that in the Animal Control Program a new line has been added for late fees. He noted that there is a new software program that allows them to print standardized letters for individuals regarding their registration fees and late fees. A substantial amount of new revenue has come in from the late fees and it is projecting there will be \$25,000 in new revenue for the FY’2014.

There was a brief discussion about collecting fees at veterinarian offices. Mr. Howe advised that most veterinarians do not want to do this.

Mr. Howe stated that the Swimming Pool Inspection Program was \$37,166 last year and it is projected to be the same this year. He indicated that it did not get implemented in FY’2013, but it is hoped that it will be implemented in FY’2014. Mr. Howe noted that the state was anxious to push that out to local health departments because they are capped on the amount of fees that they can collect. There was a legislative adjustment to that program that could now charge fees associated with the cost of operating the program, so the State is a little more reluctant to give it away. Mr. Howe stated that they will

continue to pursue it, but he is not sure that the Health department will still get it. Mr. Howe noted that there is an Environmental Health position budgeted in the budget that is vacant and is targeted for use by that individual program. If the Health Department doesn't get the program, the position may not be filled, but there is elevated activity in the Environmental Health across the board and it may be filled anyway.

Mr. Howe advised that Community and Health Services flu and Medicare revenues have been reduced by about 75%-85% in fees. This is another program where the Health Department is not going to compete in the community for the provision of flu and the collection of Medicare revenue for flu. Mr. Howe noted that Walgreens or CVS can provide flu shots cheaper than what the County can get it for. He believes the County is getting great saturation rates on people being immunized.

Mr. Howe stated that FFP money that flows in through Fund 109 is the County's ability to claim to the Federal Government for local dollars used in support of Medicaid programming. He indicated that he believes that this will continue to increase as the Health Department continues to provide Medicaid services in the community. Mr. Howe added that, as the cost of providing those services continues to go up, the Health Department will continue to bill the Federal Government to pay us back.

Mr. Howe indicated that the Immunization fee revenue is projected to increase based on the fact that there is a new billable project. This project will allow the Health Department to bill private insurance organizations for services it provides under a standing order such as immunizations, screenings, STD services – anything that is currently billed to Medicaid. Mr. Howe added that the Health Department is looking to partner in the community with a number of other local medical providers. He indicated that he recently had a meeting with OSF to look at expanding the Health Department's Family Case Management Program to provide community support for newborns and infants released from OSF as they are required to assure that those individuals have no re-admission to the hospital within a 30-60 day period. Hospitals are going to be hiring "nurse navigator" programs and the Health Department may be able to provide that service for a fee.

Mr. Howe stated that this is one of the most trying years for a population-based health program. He indicated that the Health Department is trying to get its footing and determine where a local health department falls in the statute of ACA, and where does it fit in the provision of coordinated health services in the community. Mr. Howe advised that the Health Department is no longer just a prevention provider, but a medical provider, so it will partner in the community as best it can.

Mr. Howe pointed out that mental health services have recently been a lightning rod for attention. He indicated that the Health Department funds its mental health programs on the state fiscal year; so, the programs funded for mental health are in the fourth year of their annual cycle that runs July 1st through June 30th. Towards the end of November and beginning of December, the Health Department will begin talking with the programs currently funded and start recruiting for applications for funding.

Mr. Howe noted that there is not a substantial amount of mental health money available in the levy, and he tries to remind people in the community of that fact. He stated that the Health Department is currently funding, in terms of mental health services for FY'2014, \$979,210 for mental health services which includes substance abuse, and prevention services in the schools, and \$203,884 in Drug Court. Mr. Howe reported that, currently, the Health Department is at .03296% of a .05% cap maximum of the levy, which means that the Health Department has about \$544,000 unallocated in the maximum of the levy. He added that the Health Department abides by the rules and guidelines of the County and try to make sure that its dependence upon Property Tax dollars used locally is no more than what was used in the previous fiscal year and the Health Department has abided by that every year and will continue to do so.

Mr. Howe advised that there has been a lot of talk about the use of mental health funding in the levy for Justice system related programs. He reminded the Committee that the Health Department already uses 17% of the total mental health levy for Court Service programs under the Drug Court program.

Mr. Wasson acknowledged that, in working with the Administrator's Office, Mr. Howe evaluated and reviewed the Unencumbered Fund Balanced status, and found that there is \$100,000 in the Unencumbered Fund Balance that is being used in the Health Fund this year, which helped in the management of the tax rate.

Mr. Wasson reported that County Board Chairman Sorensen intends to organize an Advisory Group as is allowed by the County Board Rules that will include County Board members and community members to begin the dialogue of the general issue of mental health services within the community as it relates to the County's Corrections facilities, specifically, and the impact on the community as a whole.

Mr. Wasson noted that he expects that representatives from the Board of Health and the Health Department will be involved in that process as well.

A brief discussion was held on the mental health issues in the community, including the lack of mental health providers.

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Motion by Soeldner/Rankin to recommend tentative approval of the Health Department Funds FY'2014 Recommended Budget as submitted.
Motion carried.

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

Mr. Wasson advised that the Executive Committee took action to remove \$110,000 from the General Fund Budget and to raise GIS fees to appropriately cover the cost of a GIS Flyover that was in the General Fund Budget. He noted that the approximate \$150,000 has been met between revenues and expenditure reductions. Mr. Wasson added that the tax levy will actually decrease. He reminded the Committee that each year that the tax rate is decreased, which has been done the last three years, it becomes an ever increasing challenge that, eventually, may not be met.

Ms. O'Connor stated that if the public thought the mental health issue was a safety issue, she believes they would vote for a sales tax increase to assist with a solution for their community.

Chairman Owens adjourned the Special Finance Committee meeting at 6:05 p.m.

Respectfully Submitted,

Judith A. LaCasse
Recording Secretary