

Minutes of the Finance Committee

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

Members Absent: Member Soeldner

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. Jack Moody, Interim Director, Nursing Home; Mr. Walt Howe, Health Department Administrator; Mr. Bob Kahman, Supervisor of Assessments; Ms. Michelle Anderson, County Auditor; Ms. Becky McNeil, Treasurer; Ms. Kathy Michael, County Clerk

Others Present: Ms. Annie Cummings, Chief Deputy Auditor; Ms. Cathy Waltz, Superintendent, Juvenile Detention Center; Mr. Tom Anderson, Director, Environmental Health, Health Department

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

Chairman Owens presented the minutes of the November 6, 2013 Finance Committee meeting, the October 15, 2013 Stand-up Meeting, and the October 9, 2013 Special Meeting for approval.

Motion by Wollrab/Rankin to Approve the Minutes of the November 6, 2013, Finance Committee meeting, the October 15, 2013 Stand-up Meeting, and the October 9, 2013 Special Meeting.

Motion carried.

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

Mr. Jack Moody, Interim Director, Nursing Home, presented the September 2013 Monthly Report for the Nursing Home. He noted that there have been 12 admissions since November 14th. The average census is 142 residents.

Mr. Moody indicated that MPA representatives are in the building frequently doing analyses and looking at policies and procedures.

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

Mr. Walt Howe, Health Department Administrator, presented a request for approval of an amendment to McLean County Revised Code, Chapter 26, Food Service; and Chapter 28, Health and Sanitation. He introduced Mr. Tom Anderson, Director, Environmental Health who provided an overview of the changes.

The proposed changes include the following:

- A 3% increase for all food permit fees included in Chapter 26;
- The Inclusion of the term “portable potable hand washing units” within word “pumper” in Chapter 28 Article II (Definitions);
- The addition of a definition of the word “waste” in the definition section of Chapter 28 Article II;
- The deletion of the phrase “soil percolation tests and/or comparable” and the word “percolation” in sections 28.51, 28.52, and 28.53 of Chapter 28;
- The addition of the term “soil classification” in section 28.52, paragraphs (A) and (B) of Chapter 28;
- A 3% increase for all permit fees in Chapter 28 of the McLean County Revised Code covering private sewage disposal systems and installer and pumper license fees;
- The deletion of the term “private sewage disposal systems” and the addition of the word “waste” in section 28.64-1 Conditions of licensure, paragraph (C) of Chapter 28.

Motion by Rankin/Wollrab to Recommend Approval of an
Amendment to McLean County Revised Code, Chapter 26,
Food Service; and Chapter 28, Health and Sanitation.
Motion carried.

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

Mr. Bob Kahman, Supervisor of Assessments, presented a Board of Review update. He noted that the Board of Review will hold its last two scheduled hearings for the year. Mr. Kahman stated that, compared to last year, complaints were down this year. He pointed out that the market is coming back up.

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

Ms. Michelle Anderson, Auditor, reviewed the SHOW BUS Audit Summary. She introduced Ms. Annie Cummings, Chief Deputy Auditor, who conducted the audit. Ms. Anderson noted that because they found some different kind of findings, items from the grant contracts that were previously approved were included in the packet.

Ms. Cummings stated that most of the findings were very minor, such as missing approvals on a few invoices and not signing or initialing bank reconciliation to show who had prepared them or reviewed them. She has recommended that these items be corrected in the future.

Ms. Cummings indicated that the major finding was the non-compliance with all of the SHOW BUS contracts because there is an *apparent* conflict of interest, which is not permitted by any of the grant contracts. The *apparent* conflict is that the administering McLean County employee, Phillip Dick, is the spouse of the SHOW BUS Director, Laura Dick. Ms. Anderson read the section of the contract under "Ethics," which talks about "personal conflicts of interest." She indicated that she believes that Mr. Dick's management of the SHOW BUS grant falls under this section.

Mr. Wasson advised that the spousal relationship between Mr. Dick and Ms. Dick is not something that was unknown by County Administration or the Civil Assistant State's Attorney's Office during the term of Mrs. Dick's functioning as SHOW BUS's Executive Director. Mr. Wasson pointed out that Mr. Dick and Ms. Dick are both available for comment. He indicated that their relationship was the same at the time that Ms. Dick took the position as Executive Director of SHOW BUS and there were no concerns at that time.

Mr. Wasson stated that an "opinion" could be requested of the State's Attorney's Office as to whether or not a conflict of interest exists. Ms. Eisner noted that the language requires that the person be involved in the selection of the contract or involved in the administration of the contract. She indicated that the only question would be whether he is too involved in the administration of the SHOW BUS contract. Ms. Eisner advised that Mr. Mike Behary in Building and Zoning typically handles the SHOW BUS documents. Mr. Wasson added that this issue has never been raised by the County's outside auditor or by SHOW BUS auditors.

Mr. Wasson advised that, as discussed with the Finance Committee last month, with the PCOM designation at the Highway Department and the change of the rural transportation program to oversight of the Transportation Committee, this issue is moot. Mr. Wasson stressed that this change in administration of SHOW BUS was not predicated upon the Auditor's findings; rather, it was specifically because of IDOT's requirements.

Ms. Laura Dick, Executive Director, SHOW BUS, provided a response to the Auditor's Findings. She stated that Ms. Cummings appeared to be extremely detail-oriented during the audit, which was appreciated. Ms. Dick advised that the issue of a conflict of interest never came up at any time during the site visit or any subsequent e-mails sent to her from the Auditor's Office. She noted that the first time she was made aware of this issue was in the Audit Summary, which she received Friday morning and the response to the audit was due by noon on Monday. Ms. Dick agrees that McLean County has the absolute right to decide how they wish to provide oversight for the grant and there was no objection to that in her audit response. Ms. Dick stated that what she does object to is, if there is going to be a finding, it should be given in a timely manner so that there is time for her to provide a full response. She indicated that she found that to be quite disturbing, problematic and certainly not what she is used to with her relationship with McLean County. Ms. Dick added that she doesn't believe it was fair and it presents a very unfair picture of a situation. Ms. Dick reiterated that other than that, she felt Ms. Cummings' audit was very detailed and fair.

The Committee's consensus was that there is no point in taking this matter any further since the SHOW BUS responsibilities will be going to the Highway Department.

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

Ms. Becky McNeil, County Treasurer, reviewed her Financial Reports for the period ending November 30, 2013.

Ms. McNeil reviewed the Summary of Tax Vouchers Report. She pointed out that tax collections were at \$620,047.15 as compared to \$640,835.19 a year ago.. Ms. McNeil stated that the year to date comparison shows that the County is \$190,689.97, or 2.2%, ahead of where it was last year.

Ms. McNeil reviewed the Investment Report, noting that there have been no significant changes. She stated that as economy continues to improve, hopefully the rates will increase.

Ms. McNeil reviewed the Investment Policy. She indicated that the County Treasurer has had an Investment Policy since 1999. Ms. McNeil stated that when she took office in 2003, she amended the policy and is now amending it again in 2013. She noted that nothing has significantly changed. The County's Investment Policy is written in accordance with the Public Funds Investment Act. Ms. McNeil indicated that the Investment Policy is required to be submitted to the external auditors annually.

Ms. McNeil advised that, at the next meeting, she will request that the Committee officially recommend approval of the list of financial institutions that can be used for investment purposes, which are included on the last page of the Investment Policy.

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 November 30, 2013, as submitted.

Motion carried.

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

Ms. Kathy Michael, County Clerk, presented her Monthly Report. She noted that revenue should be well over 100% of budget.

Ms. Michael stated that she has met with different county recorders, most recently Lake County. She noted that they also visited the McLean County Recorder's Office where they received good information and help. Ms. Michael advised that, at some point, she would like to see the Recorder's Office move down to the first floor so that the offices can be together.

Chairman Owens asked Mr. Wasson to discuss the loss of funds in the County Clerk's Office.

Mr. Wasson advised that the McLean County Clerk's Office has had a separate departmental bank account maintained by the office. Monies collected by the office for license, fees, and all tax redemptions were deposited into this account and checks were issued to the appropriate parties out of this account. Mr. Wasson noted that the County Clerk's Office agreed to close this account and move all transactions to the County's General Fund and main operating account "pooled cash" in 2013. He stated that the cut-over occurred Friday, February 1, 2013 with deposits being taken to the Treasurer's Office. The County Clerk account was left open to allow outstanding checks to clear.

Mr. Wasson reported that on February 27th, First Financial Bank contacted the County Treasurer's Office to notify them of an overdraft situation on this account maintained by the County Clerk's Office. To allow the checks to clear, Ms. McNeil and County Administration transferred sufficient funds to the bank account. Mr. Wasson stated that a review was completed by the County Clerk's Office. The Clerk deposited \$2,921 into the general fund receivable on June 20, 2013 after closing the account. The balance of \$4,079 was moved to a loss line for the County Clerk on July 24, 2013. Mr. Wasson noted that other losses were booked via accounts payable checks being cut. All loss amounts were booked to the County Clerk's general fund budget. Mr. Wasson advised that the loss to McLean County totaled \$5,529.81.

Mr. Wasson stated that he engaged the County's outside auditor, McGladrey, LLP to perform procedures to attempt to determine the reason for the overdraft. He indicated that at the end of these efforts, they were unable to find the cause of the loss. Mr. Wasson noted that the County Clerk's office identified two transactions in the amount of \$1,524.01 and \$1,259.90 in 2012, where funds were deposited in the wrong revenue line.

Mr. Wasson pointed out that this account has been in place for many years and the loss could have occurred at any time during this period and only discovered when the account was closed.

Mr. Wasson stated that the cost of the outside auditor was approximately \$4,000. He added that the Administrator's Office, the Clerk, the Auditor and Treasurer have all been unable to identify the loss. He advised that the Committee can ask that further audits be made to continue the search. Mr. Wasson stated that the steps that caused the identification of this loss should also assist in avoiding further errors.

After additional discussion, the Committee's consensus was to not expend additional funds on this issue.

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

Ms. Eisner reviewed the critical personnel position requests which have been received by the County Administrator's Office through, November 26, 2013. All positions listed below are budgeted and funded through the end of FY 2013. Ms. Eisner noted that Ms. McCormick, Ms. Waltz and Mr. Scanlon are available to answer any questions.

Court Services

- 1) Request to fill a 1.0 FTE Juvenile Detention Officer

There is currently one vacant Juvenile Detention Officer in the Court Services Department. The staffing of line officers at the McLean County Juvenile Detention Center has decreased by three detention line officers since 2008. Currently there are 15 line officers: 7 female and 8 male. The recommended minimum staffing for our facility is 22 line officers with one being assigned to the control center at all times. Given the current level of staffing, staff have been distributed across shifts provide the best coverage possible. This leaves some shifts understaffed and creates problems on others with only minimum staffing. If staff on those shifts are called away to handle an intake, attend a court hearing or make medical run, this leaves less than the minimum number of staff on the floor to supervise the juveniles in custody. It is essential to maintain the current level of staffing to insure the safety and security of the facility.

Circuit Court

- 1) Request to fill 1 FTE Circuit Court Secretary position

The Circuit Court is requesting approval to fill a vacant Circuit Court Secretary position. The Circuit Court Secretary position is responsible for data entry in the case management system, coordinating scheduling for the judge, preparing orders and other legal memoranda, coordinating jury calendars with the other justice system offices, and providing information to the public and attorneys via phone, email and in persons. Circuit Court secretaries are also tasked with assisting with the oversight of the judicial libraries, department budget, marriages and other administrative tasks. The Circuit Court currently has 10.0 FTE judicial secretaries to serve the 13 judges and one part-time hearing officer. Given the job requirements the current staff cannot assume any more responsibilities.

Nursing Home

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

2 FTE Food Service Assistant

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

Ms. O'Connor left the meeting at 5:20 p.m.

Mr. Wasson presented a request for approval of a Memorandum of Understanding (MOU) between the City of Bloomington, the Town of Normal, The County of McLean, Bloomington School District 87 and Community Unit District No. 5 McLean and Woodford Counties, and the Bloomington-Normal Area Economic Development Council (EDC). He introduced Mr. Ken Springer, Vice President, EDC, who is available for any questions.

Mr. Wasson reminded the Committee that this proposal was introduced to the Committee several months ago. He noted that in an attempt to put together an agreement that all entities could support, the MOU now has provisions in it that reserves the right of individual bodies to control the specific requirements that they want in the Agreement, such as reporting requirements. Mr. Wasson indicated that the MOU is a basic package that specifies that the bodies will continue to control each of these agreements, will control the reporting requirements, inspection and monitoring requirements, and each of the bodies will continue to individually require specific conditions.

Mr. Springer advised that the two pieces that the MOU seeks to establish for this program is the length of the abatement and the threshold for companies that are going to be able to access it. All of the details such as the enforcement mechanisms, clawbacks, etc. will be determined by individual taxing bodies in their own agreements. Mr. Springer indicated that the EDC is trying to establish the broad framework of the program.

Ms. Wollrab commented that the City of Bloomington has already approved the MOU and asked what other entities have approved it. Mr. Springer replied that all of the above noted taxing bodies have approved the MOU except McLean County. He indicated that it is the intent of EDC to eventually reach out to other taxing bodies such as townships or rural districts to build a larger consortium around this program.

Mr. Erickson asked if the MOU is a legal binding document or just an understanding of what we will go forward with. Mr. Wasson replied that it is a message that the Board concurs with the basic outlines of the program.

Mr. Erickson expressed his continuing concern about the enforcement mechanisms of making sure that the County gets a sufficient return on its investment. He pointed out that when the EDC does the audit, they will get certain information from the business, but the County gets only the audit from the EDC, not the information supplied by the company to EDC.

Mr. Erickson pointed out that he believes that some background information could be FOIA'd and should be made available from the EDC to the County Board. Mr. Wasson responded that the taxing bodies will be able to specifically make those requests within the contract. The MOU was crafted to allow the taxing bodies to determine the parameters of contracts. Mr. Springer indicated that the EDC would like to begin the process of using the MOU's, evaluate how they are working, and make any necessary changes or "tweaking" necessary. He stated that the point of allowing each of the taxing bodies to do their own agreements is that not everyone has the same concerns; each taxing body can determine its own restrictions or expectations. Mr. Springer pointed out that every MOU will be a new learning experience from which to move forward to the next one.

Mr. Springer asked that the Committee provide EDC with the exact restrictions or information that they want in the contracts. He reminded the Committee that they are working with private sector companies and need to make sure that whatever is asked for is reasonable. Mr. Erickson replied that the County is also relying on the EDC to assist in determining what should be asked for.

Mr. Wasson advised that he would like to see the EDC share drafts of agreements with the Committee for the Committee to provide feedback.

Motion by Wollrab/Rankin to recommend approval of a Memorandum of Understanding (MOU) between the City of Bloomington, the Town of Normal, the County of McLean, Bloomington School District 87 and Community Unit District No. 5 McLean and Woodford Counties, and the Bloomington-Normal Area Economic Development Council (EDC).

Motion carried.

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

Mr. Wasson presented a request for approval of an Ordinance of the McLean County Board providing for an increase in the GIS fee for filing every instrument, paper, or notice for record pursuant to 55 ILCS 5/3-5018. Mr. Wasson noted that the fee has not been increase since 2006. He indicated that the fee will increase by \$3.00, with \$2.00 going into a special fund to be used solely for the equipment, materials, and necessary expenses incurred in implementing and maintaining a GIS; and \$1.00 to be deposited into the County Recorder's Special Fund. The fee will increase from \$5.00 to \$8.00 effective January 1, 2014.

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Motion by Rankin/Erickson to recommend approval of an Ordinance of the McLean County Board Providing for an Increase in the GIS Fee for filing every Instrument, Paper, or Notice for Record Pursuant to 55 ILCS 5/3-5018.
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/Rankin to Recommend the Finance Committee go into *Executive Session* at 5:45 p.m. to discuss Collective Bargaining with the Committee Members and Staff.
Motion carried.

Motion by Rankin/Wollrab to recommend the Finance Committee return to *Open Session* at 5:54 p.m.
Motion carried.

Chairman Owens presented the November 30, 2013 Finance Committee bills for review and approval as transmitted by the County Auditor, as well as a transfer in the Treasurer's office of \$2,400. The Finance Committee bills include a Prepaid Total of \$629,372.09 and a Fund Total that is the same.

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Motion by Rankin/Wollrab to recommend approval of the Finance Committee bills and transfers as of November 30, 2013 as recommended by the County Auditor.
Motion carried.

Chairman Owens presented the November 30, 2013 Nursing Home bills for review and approval as transmitted by the County Auditor. The Nursing Home bills include a Prepaid Total of \$219,331.99 and a Fund Total that is the same.

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

Mr. Erickson noted that at the last County Board meeting, he had indicated that the reasons the County was able to provide a slight tax cut was because of the good work of prior County Boards. He stated that the statement was not meant to imply that the present County Administrator has not done a good job or that other people have not done a good job.

There being nothing further to come before the Committee at this time, Chairman Owens adjourned the Finance Committee at 5:55 p.m.

Respectfully Submitted,

Judith A. LaCasse
Recording Secretary