

Minutes of a Special Finance Committee Meeting

The Finance Committee of the McLean County Board held a special meeting on Wednesday, October 15, 2014 at 4:00 p.m. in Room 400 of the Government Center, 115 East Washington Street, Bloomington, Illinois.

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

Members Absent: Member Rankin

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; Mr. Don Knapp, First Assistant Civil State's Attorney

Department Heads/
Elected Officials
Present:

Mr. Walt Howe, Health Department Administrator; Mr. Paul Shannon, Director, Bloomington Election Commission; Mr. Jerry Vogler, Director, Veterans Assistance Commission; Ms. Linda Cox, Interim Director, Nursing Home; Ms. Jennifer Ho, Risk Management

Others Present: Ms. Cathy Dryer, Financial Manager, 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; Mr. Scott Gima, Vice President, Management Performance Associates (MPA); Ms. Marshall Thomson, Manager, Animal Control

Chairman Owens called the meeting to order at 4:06 p.m.

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 Division.

Mr. Anderson reviewed the proposed amendments to Chapter 26 and 28, as provided in the Finance Committee Packet, including a 3% increase in both the Food Service

permits and Sewage & Water permits. He noted that these are annual housekeeping items.

The proposed changes for Chapter 26, Food Service consist of the following:

1. The deletion of the adopted Illinois Department of Public Health (IDPH), "Retail Food Store Sanitation Code." This code was repealed by the State of Illinois on December 13, 2013.
2. A 3% increase for all food permit fees included in Chapter 26 of the McLean County Revised Code.

The proposed changes for Chapter 28, Health and Sanitation consist of the following:

1. The deletion of the phrase "soil percolation tests and / or comparable" and the word "percolation" in section 28.57-2. This is required for the ordinance to be recognized as stringent as the state sewage code for the design and sizing of private sewage disposal systems.
2. A 3% increase for all permit and licensure fees in Chapter 28 of the McLean County Revised Code covering private sewage disposal systems and installer and pumper license fees.
3. Significant proposed amendments to Article IV, Geothermal Exchange Systems that include:
 - a. The addition of new terms, the amendment of the term "Geothermal exchange system", and the deletion of the term "Geothermal exchange system excavator" within the Definitions section;
 - b. The deletion of the word "Registration" and addition of the word "Permit" relating to the issuance of a certificate for the construction of a Geothermal Exchange System throughout the Article;
 - c. The repeal of an exemption to construct a Geothermal Exchange System without a permit under section 28.85-1 within McLean County municipalities that administer their own Heating, Ventilation, and Air conditioning inspection program within their jurisdiction;
 - d. An increase in fees for the permitting and inspection of Geothermal Exchange Systems that more closely represent the costs to administer the permitting and inspection activities for each type of system;
 - e. An escalation clause allowing the department to automatically raise fees 3 percent annually unless determined otherwise by members of the Board of Health; and,
 - f. The requirement for all "Closed Loop Well Contractors" to possess a valid certificate issued by IDPH prior to receiving a registration to construct a closed loop well within McLean County.

The amendments to Article IV are required by IDPH and must be adopted by December 1, 2014 to maintain the Geothermal Exchange Systems inspection program as an ordinance county. The IDPH has issued the McLean County Health Department a “pre-approval” letter for the proposed amendments as submitted. A copy of the “pre-approval” letter is enclosed with this memorandum.

Mr. Robustelli asked what the justification is for the proposed increase on retail food store sanitation code and implementation. Mr. Howe replied that the Health Department monitors these costs on an annualized basis. He noted that the increase is not anywhere near what the cost of providing this service is to the community or the provider. Mr. Howe indicated they try to get as close to 50% of the cost of administering this service as possible. The overall cost is mostly associated with the staff time and travel time.

Ms. Schafer asked why there was such an increase in the fees for the geothermal permits. Mr. Anderson replied that the State of Illinois has changed the law to require the Health Department to be on-site for all geothermal installations. He noted that Westminster Village just installed a large geothermal system and the Health Department had to have staff there for six 12-hour days per week for six months. The fee structure favors the individual home owner as most residential systems only require four borings. The fees jump up after five borings, which are mostly commercial systems.

Ms. Wollrab asked why the state has such strict inspection requirements. Mr. Anderson replied that it is due to the increased concern about the safety of our water supplies. Since the Mohomet Aquifer water system is partly under McLean County, the state wants the Health Department to be more alert to the safety of the groundwater.

Motion by Robustelli/Wollrab to recommend approval of an Amendment to McLean County Revised Code, Chapter 26, Food Service; and Chapter 28, Health and Sanitation.

Motion carried.

Mr. Robustelli asked what the Health Department is doing in regards to the potential Ebola health crisis. Mr. Howe replied that the Health Department is being pro-active in making sure that information is provided to the community, and that it will be able to monitor the situation. If anyone presents themselves with symptoms of Ebola, the Health Department will be able to, under condition of isolation and quarantine, do what is necessary. He noted that meetings have been set with local hospitals, and other emergency partners. Mr. Howe added that they are going to start a Friday conference call with each of the hospitals and local partners where they will talk about protocol, status and changes.

Ms. O'Connor asked what is being done to make sure that the garments that health care workers wear are inspected to make sure they are safe. Mr. Howe replied that the

garments are inspected continuously, and emergency response money is received to make sure that they are replaced and reviewed when necessary.

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

Mr. Wasson presented a request for approval of a Resolution to establish rates for Health and Life Insurance coverage for Fiscal Year 2015. He indicated that after a year where there was no increase in employee rates, we are now experiencing a 9% increase for this year in the regular PPO Plan based upon utilization and experience of that plan over the last 12 months. Mr. Wasson advised that a high deductible health plan has been included for the first time, which has been the most requested item from the Employee Benefit Committee. He noted that the County would be contributing the same amount of money to the high deductible plan as the PPO plan.

Mr. Robustelli asked if the employee rate is the same for all employees or is it adjustable depending upon what the employee's wage is. Mr. Wasson replied that everyone pays the same amount. Mr. Robustelli indicated that he sees more employers moving towards a progressive rate that is determined by the individual's wage. He stated that he would like to see an effort in this direction be considered in future years.

Motion by Schafer/Wollrab to recommend approval of a Resolution to Establish Rates for Health and Life Insurance Coverage for Fiscal Year 2015.

Motion carried.

Ms. Eisner presented a request for approval of an Amendment to McLean County Revised Code, Chapter 21, Animals allowing for a discount on registration fees. She requested that the Amendment be amended under sub-section (E) to replace "...shall be discounted..." with "...may be discounted."

Ms. Eisner advised that they have been working with animal rescue organizations that offer vaccination clinics which provide low cost rabies vaccinations to low and moderate income individuals. At the same time, they will register dogs and cats for McLean County. The organizations that host the clinics have asked the County to reduce the registration fee for individuals who bring dogs and cats to the clinics to encourage even more participation. Ms. Eisner stated that there is currently no provision in the County Code that allows for reduced registration fees and, therefore, the Animal Control Program has no authority to grant these requests.

Ms. Eisner indicated that the County currently charges the following for registration fees depending on whether the animal has been altered and the type of vaccination, as follows: \$10.00 for altered dogs and cats with a one year rabies vaccination; \$20.00 for unaltered dogs and cats with a one year rabies vaccination; \$25.00 for altered dogs and

cats with three year rabies vaccinations and \$60.00 for unaltered dogs and cats with three year rabies vaccination.

Ms. Eisner noted that the clinics provide a benefit to the County. They not only increase the number of dogs and cats that get inoculated for rabies, they also insure that more of these dogs and cats are registered and simplify the process for the County. Ms. Eisner added that usually a person receives paperwork to complete the registration from his or her veterinarian and it is up to that individual to fill out the form and return it to the County with payment. The clinics streamline this process by collecting the fee at the time of the vaccination.

Ms. Eisner stated that the proposed amendment would allow for a maximum of \$1.00 discount off the registration fees for people who register their dogs and cats at approved vaccination clinics offered by not-for-profit animal care/rescue organizations in McLean County that are operated in accordance with rules promulgated by the County Administrator. Rules will need to be developed to insure that the discount is serving the purpose of encouraging registrations and that rabies tags and owner information is processed appropriately.

Motion by Wollrab/O'Connor to recommend approval of an Amendment to McLean County Revised Code, Chapter 21, Animals as amended.
Motion carried.

Ms. Eisner indicated that one addition Critical Personnel Hiring Requests was received after the October 1st Finance Committee meeting, as follows:

McLean County Animal Control

- 1) Request to fill .50 FTE Animal Control Warden position

The McLean County Animal Control has a .50 Animal Control Warden position. The vacancy is the result of a resignation. This part-time position could work holidays, evenings, and weekends. Duties include responding to calls, stray animal pick-up, and working at the Animal Control Center.

Motion by Schafer/Wollrab to Recommend Approval of Critical Personnel Hiring Requests – County Administrator's Office.
Motion carried.

Mr. Wasson reviewed the FY'2015 Recommended Budget.

Bloomington Election Commission – 0001-0048 can be found on pages 228--230 of the FY'2015 Recommended Budget and pages 29-30 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'2015 Recommended Budget. This amount is based on the anticipated payment to be made to the County in December, 2014 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'2015 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. Increases or decreases in this line item account are pegged to the change in the County's adjusted equalized assessed valuation. This line item account increases from \$468,039 in the FY'2014 Adopted Budget to \$471,689 in the FY'2015 Recommended Budget (0.78%) due to a 0.78% increase in EAV.

Mr. Wasson advised that positive feedback is received on the Bloomington Election Commission as well as the County Clerk's Office relative to the elections.

Motion by Wollrab/Robustelli to recommend tentative approval of the Bloomington Election Commission – (0001-0048) FY'2015 Recommended Budget as submitted.

Motion carried.

Veterans Assistance Commission – 0136-0065 can be found on pages 352-356 of the FY'2015 Recommended Budget and pages 31-33 of the Summary in the Agenda Packet.

Highlights of the Recommended Budget:

REVENUE

401.0001 General Property Tax: This revenue line item account will remain at \$168,860 in the FY' 2015 Recommended Budget. Pursuant to Chapter 55, Illinois Compiled Statutes (2006, 5/5-2006, the County Board is permitted to levy a property tax in an amount not to exceed \$0.03 per \$100 of equalized assessed valuation in counties where a Veterans Assistance Commission has been established.

400.0000 Unappropriated Fund Balance: This account includes \$24,651 to balance the budget. The Fund Balance in the Veterans Assistance Fund was \$108,226 as of December 31, 2013.

EXPENDITURES

Personnel

There is no change in the staffing level in the FY'2015 Recommended Budget.

Materials and Supplies

All of the Materials and Supplies line item accounts have been budgeted within 3% or \$500 of their counterparts in the FY'2014 Adopted Budget.

Contractual

All of the Contractual line item accounts have been budgeted within 3% or \$500 of their counterparts in the FY'2014 Adopted Budget, except for the following.

832.0002 Purchase of Computer Equipment: This line item account has decreased from \$972 in the FY'2014 Adopted Budget to \$0 in the FY'2015 Recommended Budget to reflect actual Membership fees for 2015.

Mr. Wasson advised that the Veterans Assistance Commission has been able to minimize its use of the Appropriated Fund Balance over the years. He noted that McLean County has a Veterans Assistance Commission that does a very effective job of helping veterans to find options for assistance beyond what is provided as emergency assistance by the Commission. They are very aggressive in trying to assist vets in finding other options that may be available to them through federal, state or local government programs, or not-profit programs. Because of that pro-active nature, the Veterans Assistance Commission has very controlled expenses on the emergency assistance in comparison to other counties. Mr. Wasson noted that a couple counties in Illinois have spent time with Mr. Vogler and the Commission because of their ability to understand how this works in a much larger system than some of those other counties, including Tazewell County that is spending a tremendous amount of money locally through their county coffers to provide that assistance. Mr. Wasson indicated that they have been able to reduced that expense in large part because of the guidance provided by Mr. Vogler.

Ms. Wollrab asked Mr. Vogler to report on the efforts the Veterans Assistance Commission make to provide transportation to veterans to healthcare appointments. Mr. Vogler replied that the Veterans Assistance Commission provides a van service that takes McLean County veterans to the Bob Michael Clinic in Peoria. He indicated that they will transport approximately 600 veteran trips there this year. Mr. Vogler stated that they use six volunteer drivers to drive the van that was purchased in 2010.

Ms. Wollrab indicated that she has heard that there is some movement to allow veterans to get medical assistance locally. Mr. Vogler replied that that is being considered but it has not yet been implemented.

Motion by Robustelli/O'Connor to recommend tentative approval of the Veterans Assistance Commission – (0136-0065) FY'2015 Recommended Budget as submitted.
Motion carried.

Cooperative Extension Services – 0133-0088 can be found on pages 327-328 of the FY'2015 Recommended Budget and pages 34-35 of the Summary in the Agenda Packet.

Highlights of the Recommended Budget:

Pursuant to the referendum approved by the voters in McLean County, the County Board is permitted to levy a property tax in an amount not greater than \$0.05 per \$100 of equalized assessed valuation. To account for the receipt and distribution of the property tax funds for Cooperative Extension, Special Revenue Fund 0133 was established in the FY'2014 Recommended Budget. Under Illinois law, the County Board is required to approve the proposed tax levy for the Cooperative Extension Service.

REVENUE

401.0001 General Property Tax: Pursuant to the referendum approved by the voters in McLean County, the County Board is permitted to levy a property tax in an amount not greater than \$0.05 per \$100 of equalized assessed valuation. The Cooperative Extension Service has submitted a request for a property tax levy in the amount of \$530,250.00. Based on the Supervisor of Assessments' estimate of the County equalized assessed valuation, the proposed tax levy would result in a projected tax rate of \$0.01440 per \$100 of equalized assessed value.

EXPENDITURES

Contractual Services

761.0001 Cooperative Extension: This line item account remains at \$530,250,000 in the FY'2015 Recommended Budget, the same as the FY'2014 Adopted Budget. This line

item accounts for the distribution and payment to the Cooperative Extension Service of the property tax funds levied for Property Tax Assessment Year 2014 and collected in FY'2015.

Motion by Schafer/O'Connor to recommend tentative approval of Cooperative Extension Services – 0133-0088 FY'2015 Recommended Budget as submitted.
Motion carried.

Historical Museum – 0134-0072 can be found on pages 330-331 of the FY'2015 Recommended Budget and pages 36-37 of the Summary in the Agenda Packet.

Highlights of the Recommended Budget:

REVENUE

401.0001 General Property Tax: This revenue line item account has increased slightly from \$65,200 in the FY'2014 Adopted Budget to \$65,708 in the FY'2015 Recommended Budget. Pursuant to Chapter 55, Illinois Compiled Statutes (2006), Section 5/6-23001, the County Board is authorized to levy a property tax not to exceed 2/10ths of one cent per \$100 of equalized assessed valuation to support the operation of the McLean County Historical Museum. Due to the expected increase in the EAV, the FY'2015 tax rate will decrease from .00180 to .00178.

EXPENDITURES

Contractual

774.0001 Historical Museum: This line item accounts for the distribution and payment to the McLean County Historical Museum of the property tax funds levied for Property Tax Assessment Year 2014 and collected in FY'2015 and increases from \$65,200 in the FY'2014 Adopted Budget to \$65,708 in the FY'2015 Recommended Budget to reflect the increase in revenue.

Motion by Robustelli/Wollrab to recommend tentative approval of the Historical Museum – (0134-0072) FY'2015 Recommended Budget as submitted.
Motion carried.

Tort Judgment Fund – Juvenile Detention Health – 0135-0077 can be found on pages 333-336 of the FY'2015 Recommended Budget and pages 38-40 of the Summary in the Agenda Packet.

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'2015 Recommended Budget which is the same amount included in the FY'2014 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'2015 Recommended Budget.

Materials and Supplies

All Materials and Supplies line item accounts have been budgeted in the FY'2015 Recommended Budget within 3% or \$500 of their counterparts in the FY'2014 Adopted Budget, except for the following.

622.0001 Medical & Nursing Supplies: This line item has increased from \$1,384 in the FY'2014 Adopted Budget to \$2,879 in the FY'2015 Recommended Budget to cover the cost of 100 HIV tests. The tests are no longer covered by the Health Department due to grant criteria. Maintaining an HIV testing program is necessary to keep the JDC in line with CDC and American Academy of Pediatrics recommendations.

Contractual

All Contractual line item accounts have been budgeted in the FY'2015 Recommended Budget within 3% or \$500 of their counterparts in the FY'2014 Adopted Budget.

Motion by O'Connor/Wollrab to recommend tentative approval of the Tort Judgment Fund – Juvenile Detention Health – (0135-0077) FY'2015 Recommended Budget as submitted
Motion carried.

Tort Judgment Fund – Correctional Health Services – 0135-0077-0073 can be found on page 337-342 of the FY'2015 Recommended Budget and pages 41-45 of the Summary in the Agenda Packet.

Highlights of the Recommended Budget:

REVENUE:

401.0001 General Property Taxes: This revenue line item account has increased from \$2,793,549 in the FY'2014 Adopted Budget to \$3,015,966 in the FY'2015 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, Correctional Health, Insurance Risk Management and Civil Assistant State's Attorneys.**

410.0133 County Jail Medical Costs Fund: These funds come from a \$10.00 court fee collected upon conviction or imposition of a sentence of court supervision. This line item is increased from \$0 in the FY'2014 Adopted Budget to \$14,000 in the FY'2015 Recommended Budget to reflect the fees collected in 2014.

EXPENDITURES:

Personnel

There are no changes in the overall FTE staffing level for Correctional Health Services in the FY'2015 Recommended Budget. However, three position accounts have changed. Part-time RNs have been reduced from 0.85 to 0.25 FTE's, part-time LPNs have been reduced from 0.40 to 0.00 FTEs, and full-time LPNs have been increased from 2.00 to 3.00 FTEs.

Mr. Wasson stated that the Administrator's Office supports the recommendation to move to 3.00 full-time LPNs in the Jail staffing area.

Materials and Supplies

All Materials and Supplies line item accounts have been budgeted in the FY'2015 Recommended Budget within 3% or \$500 of their counterparts in the FY'2014 Adopted Budget, with the following exceptions.

622.0001 Medical and Nursing Supplies: This line item has increased from \$10,146 in the FY'2014 Adopted Budget to \$12,000 in the FY'2015 Recommended Budget. The increase covers the purchase of supplies to treat consistently rising numbers of patients with severe chronic diseases, patients with colostomies, and patients with wounds that require special dressings.

0622.0005 Vaccine/Prescription/Non Prescription: This line item has increased from \$124,852 in the FY'2014 Adopted Budget to \$180,000 in the FY'2015 Recommended Budget, in order to keep in line with the actual costs of prescription drugs. The primary driver of the increase is the growing number of MCDF patients who require psychotropic medications.

Mr. Wasson indicated that this increase is in addition to the continuing adjustments on the Behavioral Health front to try to minimize the cost of psychotropic medications

through evaluations of generic and other alternatives. He stated that this is in line with our recent experience and believe it is appropriate to budget sufficient funds to cover that for the foreseeable future.

0628.0001 Copying Expenses: This line item has decreased from \$5,201 in the FY'2014 Adopted Budget to \$4,500 in the FY'2015 Recommended Budget. This decrease 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 line item accounts have been budgeted in the FY'2015 Recommended Budget within 3% or \$500 of their counterparts in the FY'2014 Adopted Budget, except the following:

701 Advertising/Legal Notices: This line item has decreased from \$1,000 in the FY'2014 Adopted Budget to \$100 in the FY'2015 Recommended Budget. This decrease 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.

718.0001 Schooling & Conferences: This line item has increased from \$5,904 in the FY'2014 Adopted Budget to \$7,000 in the FY'2015 Recommended Budget, in order to allow nursing staff the opportunity to maintain their CCHP credentials and maintain their licensing statuses. The State of Illinois requires a nurse to have 20 hours of Continuing Education Units (CEUs) every 2 years, while NCCHC expects 18 hours of CEUs specific to corrections for yearly CCHP certification.

752.0001 Dental Services: This line item has increased from \$27,042 in the FY'2014 Adopted Budget to \$35,325 in the FY'2015 Recommended Budget. The 2015 number correctly reflects the jail dentist's 2-year contract from December 2013 through December 2015.

757.0001 Non-Employee Medical Expenses: This line item has increased from \$142,100 in the FY'2014 Adopted Budget to \$200,000 in the FY'2015 Recommended Budget, based on a review last year's actual expenditures and year-to-date expenditures as of the date the Recommended Budget was prepared.

Chairman Owens asked why this has increased so much. Mr. Wasson replied that it has increased because of the continuing and increasing seriousness of illnesses of individuals in the Jail, including an aging Jail population and their need for more physical medical assistance outside of the Jail, such as kidney dialysis.

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

Capital Assets

832.0001 Purchase of Furnishings/Office Equipment: This line item has increased from \$0 to \$1,000 in anticipation of the purchase of additional file cabinets and a scanner to aid in document storage.

836.0001 Purchase of Medical/Dental Equipment: This line item has increased from \$0 to \$3,000 in anticipation of the replacement of aging dental equipment and the purchase of a PT/INR machine.

Transfer to Other Funds

999.0001 Transfers to Other Funds: This line item has decreased from \$2,150 in the FY'2014 Adopted Budget to \$0 in the FY'2015 Recommended Budget.

There was a discussion on the high cost of medications for inmates in the Jail, the potential of looking for other vendors, and the potential of bundling medication purchases with several County departments, such as the Jail, Health Department and Nursing Home. Mr. Wasson indicated that other vendors will be considered in the future. He expressed some concern with bundling medication purchases, though it has been considered.

Motion by Wollrab/Schafer to recommend tentative approval of the Tort Judgment Fund – Correctional Health Services – (0135-0077) FY'2015 Recommended as submitted.
Motion carried.

Tort Judgment Risk Management – 0135-0077-077 can be found on pages 338 & 343-346 of the FY'2015 Recommended Budget and pages 46-50 of the Summary.

Highlights of the Recommended Budget:

EXPENDITURES:

Personnel

Staffing for the Risk Management Insurance program remains the same as FY'2014.

Materials and Supplies

All Materials and Supplies line item accounts have been budgeted in the FY'2015 Recommended Budget within 3% or \$500 of their counterparts in the FY'2014 Adopted Budget.

Contractual

All Contractual line item accounts have been budgeted in the FY'2015 Recommended Budget within 3% or \$500 of their counterparts in the FY'2014 Adopted Budget, except for the following.

705.0001 Consultants: This line item account has decreased from \$8,600 in the FY'2014 Adopted Budget to \$2,000 in the FY'2015 Recommended Budget. These are additional funds need to complete the study that was started in 2014.

715 Dues & Memberships: This line item has decreased from \$1,400 in the FY'2014 Adopted Budget to \$900 in the FY'2015 Recommended Budget. This account includes RIMS, PRIMA, and EISN dues.

718 Schooling & Conferences: This line item has decreased from \$3,000 in the FY'2014 Adopted Budget to \$1,000 in the FY'2015 Recommended Budget. This account includes funds to send the Risk Manager and Department employees to DIOSH Day/Safety Training.

719.0001 General Liability Insurance: This line item account has increased from \$244,209 in the FY'2014 Adopted Budget to \$295,502 in the FY'2015 Recommended Budget based upon anticipated market conditions.

719.0004 Property Insurance: This line item account has increased from \$118,586 in the FY'2014 Adopted Budget to \$122,860 in the FY'2015 Recommended Budget based upon anticipated market conditions.

719.0009 Worker Compensation: This line item account has increased from \$55,000 in the FY'2014 Adopted Budget to \$72,207 in the FY'2015 Recommended Budget. This increase is based on a projected 12% increase in premiums and the creation of a second injury fund due to increased indemnity claims.

719.0010 Unemployment Insurance: This line item has decreased from \$50,000 in the FY'2014 Adopted Budget to \$45,000 in the FY'2015 Recommended Budget to reflect a trend toward reducing claims.

719.1004 Property Damage Claims: This line item has increased from \$10,000 in the FY'2014 Adopted Budget to \$12,000 in the FY'2015 Recommended Budget to cover the cost of deductibles for property claims.

719.1009 Worker Compensation Claims: This line item has increased from \$375,000 in the FY'2014 Adopted Budget to \$435,000 in the FY'2015 Recommended Budget. This increase is based on last year's actual claims and this year's anticipated claims.

719.1010 IBNR Estimated Claims: This line item has decreased from \$50,000 in the FY'2014 Adopted Budget to 40,000 in the FY'2015 Recommended Budget to reflect the overall reduction in claims during the previous five year period.

757.0002 Employee Medical Expenses: This line item has increased from \$2,000 in the FY'2014 Adopted Budget to \$3,170 in the FY'2015 Recommended Budget to cover increased costs associated with rabies and Hepatitis B shots.

Capital Assets

833.0002 Purchase of Computer Equipment: This line item has increased from \$500 in the FY'2014 Adopted Budget to \$1,200 in the FY'2015 Recommended Budget due to the purchase of a Surface Pro 2.

Transfer to Other Funds

999.0001 Transfer to Other Funds: This line item account has decreased from \$228,250 in the FY'2014 Adopted Budget to \$198,000 in the FY'2015 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. Jennifer Ho, Risk Management, stated that the Liability Insurance increase is partly due to the market and partly due to the way that the budget is going. She noted that as of the end of September the rates have gone up 45% more than what was anticipated.

Ms. Ho advised that the budget for General Liability includes proposed coverage for Cyber Risk in the event of a data breach. Data breaches are more than a matter of network security, which is well-managed by our IT Department. Ms. Ho indicated that an increasing number of data breaches in the government sector make this a likely event and one for which the County should be protected.

Motion by Robustelli/Schafer to recommend tentative approval of the Tort Judgment Risk Management – (0135-0077) FY'2015 Recommended Budget as submitted.

Motion carried.

Tort Judgment – Civil Division – 0135-0077 can be found on pages 347-350 of the FY'2015 Recommended Budget and pages 51-52 of the Summary.

Mr. Wasson stated that this is the fund that supports Mr. Knapp, 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'2015 Recommended Budget.

Materials and Supplies

All Materials and Supplies line item accounts have been budgeted in the FY'2015 Recommended Budget within 3% or \$500 of their counterparts in the FY'2014 Adopted Budget.

Contractual

Contractual line item accounts have been budgeted in the FY'2015 Recommended Budget within 3% or \$500 of their counterparts in the FY'2014 Adopted Budget.

Motion by Wollrab/Schafer to recommend tentative approval of the Tort Judgment – Civil Division – (0135-0077) FY'2015 Recommended Budget as submitted.
Motion carried.

Health Department can be found on pages 239-289 of the FY' 2014 Recommended Budget and pages 53-83 of the Summary. Mr. Howe introduced Ms. Cathy Dryer, Financial Manager; 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 the first six funds of the Health Department are not supported in any way by Property Tax Funds.

Fund 0102 Dental Program – In FY'2014 the Adopted Budget was \$563,184; for FY'2015 they are asking for \$576,778, which is a \$13,594 increase or 2%. Most of that is associated with increased funds from Medicaid. The Dental Sealant Grant, in collaboration with Orland Park Dental Services, provides dental sealants as well as exams, cleanings, and fluoride treatments to children ages 5-17 that are at high risk for dental caries. Last year 3,425 students in the schools were served.

The Children's Dental Program operates four days per week and provides preventative care and treatment. The program serves as the primary dental home for Medicaid-

eligible children in McLean County. Last year 5,502 children were seen by the dentist and 3,726 were seen by the hygienist.

Adult Dental Care is provided one day per week and limited to pain control measures. Clients must have a payer source of Medicaid, Township Voucher, John Scott Voucher or meet income eligibility requirements to qualify for fee-for-service. Last year when adult services were eliminated by Medicaid, only 343 adults were served. This year, with adult services being restored by Medicaid on July 1st, already 440 adults have been served and it is anticipated that over 600 will be served.

Overall, a 2% increase in revenue and an anticipated increase in Medicaid revenue with the renewal of the Adult Dental Program and the expansion of Medicaid. Revenue from the Marc Center has been eliminated due to the loss of funding that they receive. Overall expenses are about a 2% increase. There will be a 33% increase or about \$5,000 in interpreter services due to increase of non-English speaking clients. No change in FTE's.

Ms. Wollrab asked if the Health Department has considered hiring bi-lingual employees. Mr. Howe replied that they have some. He noted that they do utilize the phone system and have interpreters on-call from Western Avenue.

Fund 0103 WIC – The WIC Program is a federally funded program that provides supplemental foods, health screenings, health care referrals and nutrition education to low-income pregnant women, infants and children up to five years of age who are found to be at nutritional risk.

FY'2014 the Adopted Budget was \$481,287; FY'15 request is for \$486,502, or approximately a \$5,000 increase or 1%. The grant programming is increasing \$4,759. There was a \$500 increase in Medicaid services for screenings that are provided to Medicaid eligible individuals including blood screenings. FY'15 expenses remain at the same levels as FY'2014 except for Salary and Fringe Benefits. No change in FTE's.

Fund 0105 Preventive Health Program – In Fund 104 there are two sub-departments. Combined, the FY'2014 Adopted Budget was \$356,740; request for FY'2015 is \$126,458. Substantial reductions in preventive programming that flowed down, primarily stemming from state resources.

Fund 0105-62 Vision and Hearing program. The Adopted Budget in FY'2014 was \$50,600; requesting \$13,302. This is due to the elimination of the Medicaid vision and the value vision programs that are served by the Health Department. This low-income vision program was established several years ago when it was difficult for people on Medicaid to get glasses or vision care through Medicaid. Now, that service is available at such places as Sam's Club and Walmart. This Vision Program will be maintained in the schools. FTE's will be reduced by .50 FTE, including a .20 in Vision Tech, .10 of an OSS person who is moving into the Health Department, an accounting

specialist will be moving into the Health Department billing and a CHS supervisor that will be moving back to Fund 12-62 where their primary source of work is.

Fund 0105-67 Health Promotion. This was funded at \$299,140 in FY'2014; requesting \$112,970 in FY'2015, or about a 62% reduction. There are five grant programs that promote breast health awareness, tobacco-free communities, importance of healthy eating and physical activity, and asthma education. This resulted from a huge increase a few years ago with the "We Chose Health Community Transformation Grant" for about \$200,000. The state eliminated that program in August of this year. There are now a number of smaller grant prevention programs, including the Komen Grant for \$5,000, the Tobacco Grant for \$62,870, Reality Grant for \$20,000, Asthma Grant for \$5,000 and Heart Smart Grant for \$13,000. FTE's will be reduced in 0105-67 by .90. It is important to make sure that a number of these lessons learned and programs established locally through "We Chose Health Community Transformation" are carried on in the community through the new Community Outreach programming in Fund 0112. A .65 FTE Health Promotion Specialist will be moving out of this program into the new Community Outreach Program, as well as a .20 Health Promotion Specialist who is moving into Program 0112-62 by .04 and one 0112-67 for .16, and an accounting clerk I position that is .05 which was eliminated.

Fund 0106 Family Case Management – This program has two sub-departments.

0106-62 Family Case Management, which has six programs in it. FY'2014 Adopted Budget was \$1,018,016; FY'2015 increases 2% to \$1,034,617. FTE adjustment in this program is a reduction of a .02 FTE Case Manager that was also shared with staffing in the Health Fund. This entire position was eliminated, so .02 FTE is eliminated in Fund 106 and the entire amount is eliminated in the Health Fund. Family Case Management has level funding of \$355,693. The program focuses on promoting health pregnancies, decreasing infant mortality, decreasing the incident of low birth weight births and assuring access to health care for mothers and babies. The average participants per month in that program is about 1,353, and the annual number of home visits is around \$30,563. This also has the Intensive Pre-Natal Case Management program, which has a 13% increase from \$240,000 to \$270,000. This program focuses on case management for high-risk pregnant women in an effort to reduce low birth weight babies in McLean County. The average participants are approximately 90-120 per month.

Other grants include the Genetics Fund with a level funding of \$11,500; the DCFS Healthworks Lead Agency Fund, which increases 5% from \$81,613 to \$85,695; the Health Childcare Illinois at a level funding of \$60,000; and the All Our Kids: Early Childhood Network with a level funding of \$77,089.

0106-64 In-Person Counselor Program. This program was funded for the first time last year. The request for that program has been reduced from \$181,933 in FY'2014 to \$148,412 in FY'2015. The program focuses on serving individuals who

would have difficulty enrolling in health coverage made available through the ACA without the help of a counselor. An FTE adjusted down by a .90 FTE as the Program Manager transferred from the In-Person Counselor Program to providing those services in the Mental Health Program and DD Programs. A .10 FTE was included back for Management Services to make sure that the individual in-person counselors still had management and oversight and have individual managers to report to for the program.

Fund 0107. This fund has two sub-departments. The combined FY'2014 Budget was \$224,089; the FY'2015 request is \$274,558, a \$50,469 or 22.5% increase.

Fund 0107-61 West Nile Virus. This program remains primarily stable. The FY'2014 budget was \$39,187; FY'2015 request is for \$38,841 or a decrease of 1%. The program provides surveillance and testing for West Nile Virus. The Program produces and disseminates public information and conducts marketing efforts to motivate citizens to use personal protection to avoid mosquito bites. This program had an FTE adjustment upwards of a .25 FTE. A portion of the Public Health Communication Specialist was moved into this program because it is now so heavily based upon public information. .15 FTE of that was removed from the Animal Control Program and moved into 0107-61 and .10 FTE of that came from 0112-62 CHS Community Health Services Program for the total .25 FTE.

Fund 0107-62 AIDS and Emergency Preparedness. The AIDS Grant was reduced from \$65,641 in FY'2014 to \$34,667 in FY'2015, a grant reduction of 34%. The program provides counseling, testing, risk reduction and education related to AIDS and HIV. Goal is to prevent transmission of HIV and to provide information about HIV/AIDS to select target audiences. Following this reduction, there was an increase in the Quality of Life Grant from IDPH for \$76,000 which will restore staffing that would have been lost under the AIDS program. It is a program similar to the AIDS grant. Contract services and non-contractual service lines will be increased to provide for lab testing services associated with grant and an out-reach worker as well as educational materials line.

The Emergency Preparedness Grant Program also had an increase from \$107,620 in the FY'2014 Budget to \$113,909 in the FY'2015 Budget. This program will use funds to develop, maintain, and update public health response plans and integrate plans with outside agency response documents. Program is intended to meet the community's needs in case of a public health emergency such as a bioterrorism incident or major infectious disease outbreak event, including pandemic influenza or Ebola.

Fund 0109 is a pass-through program. It is an in and out fund for the collection and distribution of the Federal Participation Claiming money. When the money is received, it is put in Fund 0109 so that it can be tracked to the appropriate programs throughout the department to monitor for federal audit. No services or staff provided in the Program.

Mr. Howe reviewed the Tax-supported programs. He noted that there are now only two levies since the TB Program levy. There is currently the Development Disability Fund 0377 Fund, which is Fund 0110, and the Health Fund, which is Fund 0112, which also contains the 0553 Fund, Mental Health, Substance Abuse and Drug Programs as a component. Mr. Howe indicated that TB services are now provided under a frozen levy maximum of \$273,300 within the Health Fund as its own sub-department Fund 0112-0111 so that the programming and resources can be tracked because we now collect fees for the provision of those services.

Ms. O'Connor asked if there are still unencumbered Funds in the TB program. Mr. Howe replied that if there is any TB unencumbered fund balance left, it will be rolled into the Health Fund.

Fund 0110 Persons with Developmental Disabilities – This Fund has an overall rate decrease of 0.92% because there was level funding for all community contracts. This was done to make sure that we would remain consistent with all of our community funding for mental health, substance abuse and DD programming so that when we look at expanding mental health programming in the community, existing community programming will remain steady. This still allowed for an increase in mental health services by \$208,857. The TB Fund 0111 has been incorporated into the Health Fund. Mr. Howe pointed out that this raises the appearance of an increase in the use of Property Tax in Fund 0112, but that is not true; rather, it is moving the TB services from 0111 to 0112. He stated that what it shows is an appearance of a 17.49% rate increase, it is actually a Health Department dollar increase of about 8.2%, which is related to the provision of a number of new mental health services requested by the community.

The Fund 0110 levy provides level funding to four agencies for six DD programs, as follows: LifeCIL for \$13,116; Lutheran Children & Family Services for \$6,864; Marcfirst Supported Employment Program for \$286,560; Marcfirst Supported Living for \$149,844; Marcfirst SPICE for \$30,276; and United Cerebral Palsy – Land of Lincoln for \$182,904. The levy also provides for a .25 FTE Behavioral Health Manager to oversee these programs and contracts as well as the contracts in Fund 0112-553.

Fund #0112 Health Fund – The levy for Fund 0112 FY'2014 was \$2,954,502; FY'2015 it is \$3,471,226. This is an increase of \$516,724 due to transferring of the TB Program services into the health fund as well as the increased services for mental health program services in the community. The \$3,471,226 levy supports eight out of nine Health Department Programs, as follows:

- 0112-60 Mental Health is \$1,198,398;
- 0112-61 Environmental Health is \$393,658;
- 0112-62 Community Health Services is \$810,385;
- 0112-63 Administration is \$283,913;
- 0112-64 Immunization Services is \$145,288;

- 0112-67 Health Promotion is \$169, 891;
- 0112-69 Drug Court is \$196,393;
- 0112-96 Community Outreach is \$0; and
- 0112-0111 TB Services is \$273,300.

These programs entirely support the \$3,471,226 being levied from Property Tax money. \$1,394,791 of that is for mental health, substance abuse, and drug services or about 40.2% of it. \$2,076,435 supports true public health programming in the community.

Fund 0112 FY'2015 Revenue is expected to be the first year for the collection of swimming pool inspection fees of \$37,116 and filled a previously vacant sanitarian slot of the Health Department. Immunization fees and Insurance Carrier Payments are expected to see a major boost from \$17,400 to \$91,150. The McLean County Health Department is credentialed from 13 private insurance carriers. Started working on agreements with schools, government agencies and local businesses to provide immunizations at their locations. Increase in Medicaid revenue is expected due to expansion of Medicaid eligibility. MCHD now charges for all TB tests performed. Increase in both cash payments and insurance payments. This increased clinic fees from \$5,100 to \$34,240; \$8,000 in clinic fees to \$26,240 related to TB fees.

Mr. Howe stated that the Health Department budget shows \$249,755 for collection for private insurance revenue less \$10,000 for private pay sliding fee scale revenue. That is what the Health Department used to get for the provision of the same type of service. The Health Department provides immunization and screening services for Medicaid eligible individuals with the same staff. It is now providing the same services to individuals insured by private insurance and anticipate collecting close to \$250,000 for the same services provided by the same staff in the same program.

Fund 0112 FY'2015 Expenses for private stock vaccine for individuals paying either out-of-pocket or with private insurance increases from \$22,800 for the purchase of private stock vaccine to \$159,020. This was made up on the revenue side.

Capitalized Assets expense line has increased for the purchase of electronic medical records, which is going up about \$50,000 from \$20,000 to \$65,000. It also includes the maintenance contracts for the software support by outside vendors for a number of data-based programs that are being transferred to outside vendors for support from the County IT program.

Increase in costs for non-contractual services to pay Administrative Fees to 3rd party software vendors in order to bill medical claims to Medicaid and private insurance. This is the 773.0001 line, which increases by \$5,000 from \$20,583 to \$24,759.

Increase in expenditures due to research for the purchase of Electronic Medical Records system through the addition of an IT professional to assist with technical IT interactions. Will be requesting a 1.0 FTE at approximately \$38,000 in salary. In order

to do the research associated with the purchase of a quality medical records program, as well as meeting all of the requirements and demands to provide electronic programming and the share data within the community and externally in the community, it is necessary to have someone on staff that can provide this service.

Ms. Schafer asked if the medical records request is for new software. Mr. Howe replied that there two things. First, there are a number of software programs in the Health Department that are being converted from existing data bases to sometimes off-the-shelf or purchased and hand-made programming, including the maintenance of those software programs. In addition to that, an entire electronic medical records system will be purchased.

Mr. Robustelli asked for information on the Crisis Stabilization Center that has recently received state funding and the costs associated with maintaining the Center in the future. Mr. Wasson replied that this is an annual grant anticipated to maintain the Center. Mr. Robustelli commented that he is pleased to see that the Health Department budget appropriately reflects the growing demands for mental health services. He asked if the increases are sufficient to meet the needs for crisis services. Mr. Howe replied that one of the reasons that PATH was funded for \$40,000 was to monitor the entire operation of the crisis programming in McLean County.

Mr. Robustelli asked if the Board of Health receives a matrix on the success of programs that receive money. Mr. Howe replied that they get a reporting matrix from each of the organizations that are funded. Mr. Wasson added that there has been a collaborative effort headed by the Health Department on this crisis issue to insure that the different agencies provide additional documentation and statistical analysis.

Ms. Schafer asked if the Mental Health levy is at its maximum. Mr. Howe replied that it is at .0378 out of a .05.

Ms. Schafer referred to a report distributed by the Health Department on the Department's FTEs. She asked that a more detailed report be provided. Mr. Howe responded that a more detailed report can be provided to the Committee.

Mr. Erickson asked if the Health Fund 0112 ever end up with a surplus. Mr. Howe replied that sometimes it ends up with revenues over expenses due to unfilled vacancies for a period of time and other issues that may occur. Mr. Erickson asked if it has ended up with a surplus in the recent past. Mr. Howe replied that there was a surplus last year. He indicated that, each year, monies are put back into the budget request to keep the property taxes down. Mr. Wasson indicated that unencumbered fund balances were used this year and last year.

Motion by Wollrab/Schafer to recommend tentative approval of the Health Department Funds FY'2015 Recommended Budget as submitted.
Motion carried with Mr. Erickson voting "no."

Ms. O'Connor asked that Mr. Howe provide the information that he used to give his report to the Committee. Mr. Howe replied that he could provide a copy of the power point to the Committee. He noted that this was the same report he gave to the Board of Health.

Chairman Owens suggested that, next year at budget time, a joint meeting be convened between the Board of Health and Finance Committee so that the report can be provided at one time. Mr. Robustelli expressed concern that each of those Boards have different responsibilities and he doesn't feel it would work to meet together. Ms. O'Connor suggested that, in the future, Mr. Howe provide a copy of his report prior to this meeting.

Ms. Wollrab asked if the WIC Program is meeting the needs of its clients. Ms. Kim Anderson, Supervisor, Maternal Child Health Program, replied that WIC does meet the needs of its clients, including Spanish-speaking clients.

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

Animal Control – 0001-0032 can be found on pages 157-163 of the FY'2015 Recommended Budget Book and pages 84-90 of the Summary.

Mr. Wasson stated that if you combine the two programs, the Animal Control Program and the Municipal Warden Program, FY'2014 the total expenditures were approximately \$584,000. He indicated that the expenditure recommendation for FY'2015 is \$492,000. Mr. Wasson noted that this means that the Administrator's Office will be taking on a large portion of the administrative overhead responsibility. He added that this is part of the direction of the Executive Committee relative to vetting an additional administrative support person to our staff.

Mr. Wasson advised that Ms. Marshall Thomson, Manager, Animal Control, has worked actively with the Administrator's Office over the last several months putting together the budget. He noted that there are also some components that the General Fund takes on as part of this process. Mr. Wasson indicated that no fee increases are being recommended this year, which will provide an opportunity to evaluate operations and staffing. Mr. Wasson added that staffing changes have been made that are now in place. Active steps are being taken to begin community outreach with organizations within the community.

Mr. Robustelli asked if a close relationship will be maintained with the Health Department for such things as animal-related communicable disease and how will it

work. Mr. Thomson replied that it will work the same as they continue to have a good relationship with the Health Department for the continuity of the operation.

Motion by Robustelli/Wollrab to recommend tentative approval of the Animal Control Funds (0001-0032) FY'2015 Recommended Budget as submitted.
Motion carried.

Mr. Wasson noted that under the General Report, Ms. Thomson provided a report on Animal Control statistics. He advised that this report will continue to be provided in the future. Ms. Thomson reviewed the report.

Mr. Erickson asked how the transition has gone from the Health Department to the Administrator's office. Ms. Thomson replied that the transition has been educational and continues to move forward in a positive direction.

Nursing Home – 0401-0090 can be found on pages 375-385 of the FY'2015 Recommended Budget Book and pages 91-100 of the Summary.

Mr. Wasson advised that this budget was created with the sole purpose as an Enterprise Fund to give us the capability to do whatever needs to be done within the next 12 months. He noted that we have interviews scheduled for next week for a Nursing Home administrator.

Highlights of the Recommended Budget:

REVENUE

Revenue projections are driven by census assumptions. Revenues for 2015 are based upon a census of 138, which is an increase over the 2014 average census. Admission screening procedure changes have improved assessment turnaround time and are expected to lead to increased admissions.

Intergovernmental

404.0006 Medicare Reimbursement: This line item account has increased from \$790,283 in the FY'2014 Adopted Budget to \$982,460 in the FY'2015 Recommended Budget. This revenue amount is based on the Nursing Home's projection of the number of Medicare eligible residents in FY'2015.

Charges for Services

407.0040 Illinois Public Aid/Medicaid: This line item account has decreased from \$4,175,564 in the FY'2014 Adopted Budget to \$4,150,167 in the

FY'2015 Recommended Budget. 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 Reimbursements: This line item account has decreased from \$14,686 in the FY'2014 Adopted Budget to \$12,000 in the FY'2015 Recommended Budget. This revenue amount is based on a review of last year's actual revenues and the year-to-date revenues.

410.00141 JDC Food Reimbursement: This line item account has increased from \$22,275 in the FY'2014 Adopted Budget to \$25,000 in the FY'2015 Recommended Budget based on a review of year-to-date revenues and last year's actual revenues.

410.0028 Private Pay Patient Revenue: This line item account has increased from \$2,185,929 in the FY'2014 Adopted Budget to \$3,078,571 in the FY'2015 Recommended Budget. This proposed increase is based on the projected census of private pay residents.

EXPENDITURES

Personnel

Staffing has increased from 131 FTEs in the 2014 Adopted Budget to 146.5 FTEs in the FY'2015 Recommended Budget to insure adequate staffing across all shifts and to reduce dependence upon temporary, contractual nursing staff. There is a new position, Admissions Coordinator, added to Administration. This person will focus full time on admissions, and allow the nursing staff to focus on patient care.

Mr. Wasson stated that this person will specialize and work with hospitals on admissions to ensure a census that assists in providing for an effective operation within the Nursing Home. This means not only filling beds, but filling beds with Medicare patients who provide substantial revenue for services in the Nursing Home. Mr. Wasson advised that additional staff positions are recommended to lessen dependence upon a contract service employment nursing staff.

503.0001 Full Time Employee Salary: This line item increases from \$3,781,425 in the 2014 Adopted Budget to \$4,340,424 in the FY'2015 Recommended Budget due to the increase in FTE's.

Materials and Supplies

All supplies lines are within 3% or \$500 of their counterparts in the FY'2014 Adopted Budget, other than the following:

608.0001: Gasoline/Oil/Diesel Fuel: This line item has increased from \$2,296 in the FY'2014 Adopted Budget to \$4,196 in the FY'2015 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.

612.0001: Books/Videos/Publications: This line item has increased from \$401 in the FY'2014 Adopted Budget to \$2,000 in the FY'2015 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.

622.0003: Medication/Medicare: This line item has decreased from \$86,400 in the FY'2014 Adopted Budget to \$50,000 in the FY'2015 Recommended Budget. This decrease is due to a lower negotiated rate for pharmaceuticals.

624.0001 Cleaning Supplies: This line item has decreased from \$69,131 in the FY'2014 Adopted Budget to \$63,311 in the FY'2015 Recommended Budget based on the use of joint purchasing for cleaning supplies.

Contractual

All contractual lines are within 3% or \$500 of their counterparts in the FY'2014 Adopted Budget, except for the following:

701.0001 Advertising/Legal Notices: This line item account has decreased from \$15,600 in the FY'2014 Adopted Budget to \$7,000 in the FY'2015 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.

705.0001 Consultant Services: This line item account has increased from \$32,400 in the FY'2014 Adopted Budget to \$256,900 in the FY'2015 Recommended Budget. This increase is based on the need to retain temporary administrative assistance and management consulting during the search for a full-time administrator.

706.0006 Temporary Employment Services: This line item account has increased from \$100,000 in the FY'2014 Adopted Budget to \$140,000 in the FY'2015 Recommended Budget. This increase reflects 5-year average expenditures in this line.

Mr. Wasson advised that this is based upon the expenditures that we have had over the last two or three years. The goal is to try to ensure that we have cost-effective, but very effective staff in place, which is a challenge with temporary personnel who are not familiar with the facility or the residents.

709.0001 Garbage Disposal Services: This line item has increased from \$17,304 in the FY'2014 Adopted Budget to \$21,000 in the FY'2015 Recommended Budget. This increase is in anticipation of increased waste disposal & biohazard waste disposal costs.

719.0001 General Liability Insurance: This line item has decreased from \$150,000 in the FY'2014 Adopted Budget to \$145,000 in the FY'2015 Recommended Budget.

719.0009 Workmen's Compensation Insurance: This line item has decreased from \$129,000 in the FY'2014 Adopted Budget to \$94,400 in the FY'2015 Recommended Budget.

719.0010 Unemployment Insurance: This line item has decreased from \$15,000 in the FY'2014 Adopted Budget to \$14,000 in the FY'2015 Recommended Budget.

744.0001 Maintenance – Buildings, Grounds, Equipment: This line item account has increased from \$7,900 in the FY'2014 Adopted Budget to \$13,750 in the FY'2015 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.

750.0001 Equipment Maintenance Contract: This line item account has increased from \$12,281 in the FY'2014 Adopted Budget to \$15,751 in the FY'2015 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 Contracts – EMS: This line item has decreased from \$3,600 in the FY'2014 Adopted Budget to \$0 in the FY'2015 Recommended Budget after dropping the old energy management system and contract.

750.0004 Software License Agreement: This line item account has increased from \$8,760 in the FY'2014 Adopted Budget to \$14,760 in the FY'2015 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 \$9,108 in the FY'2014 Adopted Budget to \$10,000 in the FY'2015 Recommended Budget.

757.0002 Employees Medical Expense: This line item account has increased from \$2,630 in the FY'2014 Adopted Budget to \$3,225 in the FY'2015 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.

790.0004 Equipment Rental: This line item has decreased from \$10,000 in the FY'2014 Adopted Budget to \$7,300 in the FY'2015 Recommended Budget based upon 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 increased from \$115,000 in the FY'2014 Adopted Budget to \$125,000 in the FY'2015 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.

795.0002 Gas Service: This line item account has increased from \$65,000 in the FY'2014 Adopted Budget to \$70,000 in the FY'2015 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.

Capital Outlay

801.0001 Capital Improvements: This line item account has increased from \$52,900 in the FY'2014 Adopted Budget to \$558,000 in the FY'2015 Recommended Budget. This reflects deferred maintenance on multiple mechanical systems.

Mr. Wasson indicated that there has been a change in the way the capital expenditures are budgeted. He stated that we have tried to identify all the maintenance that we anticipate ever happening over the next year and budgeting the entire amount. Not all of these projects may be done and, historically, have not done all of the projects. Mr. Wasson advised that it was a good idea to reflect the kind of capital outlay expense that exists at the Nursing Home building and that will be incurring over the next several years.

832.0001 Purchase of Furnishings and Office Equipment: This line item has decreased from \$21,375 in the FY'2014 Adopted Budget to \$12,750 in the FY'2015 Recommended Budget. Included are funds to purchase mattresses, beds, overbed tables, folding chairs and tables, and door mats.

835.0001 Purchase Kitchen/Laundry Equipment: This line item has decreased from \$20,050 in the FY'2014 Adopted Budget to \$14,000 in the FY'2015 Recommended Budget.

Mr. Wasson stated that there is also a Contractual Consultant amount that has been included based upon what we have been doing with MPA for the last year to have a contract consultant in place to assist us over the next year in the transition to a new administrator and to evaluate where we go moving forward with the Nursing Home.

Mr. Robustelli asked for an explanation of the 3,025% spike in revenue. Mr. Scott Gima, Vice President, MPA, explained that with the direction that he was given include all of the capital requirements in the building, which totaled \$584,750, there would be a net operating loss. The \$610,074 is the difference necessary to get back to a budget neutral position.

Mr. Robustelli asked if the County has a capital improvement fund that is separated for the Nursing Home. Mr. Wasson replied that there is not a separate capital improvement fund. He stated that that is the reason that the Administrator's Office recommended that this process be done of including these capital expenditures for evaluation by the Committee. Mr. Wasson noted that it was necessary to draw attention to the fact that there are capital expenditures related to this building moving forward that need to be considered in the annual process of evaluating the building. He added that the budget process has not been done this way in the past.

Mr. Robustelli asked if the County has a 20 year reserve study for the lifecycle of the building. Mr. Wasson replied that there not a study for the Nursing Home. Mr. Robustelli stated that it be a good idea to have that study to budget a capital improvement fund around the lifecycle of the things that need to be repaired over the life of the building. Mr. Wasson agreed, noting that that was the purpose of initially looking at the deferred maintenance and/or expected maintenance over the next several years.

Mr. Robustelli asked if there is a lifecycle of other buildings. Mr. Wasson replied that we have not had capital replacement funds in place for an extended period of time.

Mr. Robustelli recommended that a lifecycle study be done on all of the County buildings to know what the expenditures may look like to determine what money needs to be set aside for capital improvements. Mr. Wasson replied that this was the rationale for including this number in the budget.

Motion by O'Connor/Wollrab to recommend tentative approval of the Nursing Home – (0401-0090) FY'2015 Recommended Budget as submitted.
Motion carried.

County Board Chairman Sorensen recommended that the Committee look through the Five-Year Capital Improvement Budget book which provides information on future capital improvement projects.

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

Respectfully Submitted,

Special Finance Committee Meeting
October 15, 2014
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Judith A. LaCasse
Recording Secretary