

Minutes of the Finance Committee

The Finance Committee of the McLean County Board met on Wednesday, July 1, 2015 at 4:30 p.m. in Room 400 of the Government Center, 115 East Washington Street, Bloomington, IL.

Members Present: Chairman Ben Owens; Members: Mr. George Gordon; Mr. Chuck Erickson; Mr. Carlo Robustelli; Ms. Susan Schafer

Members Absent: Ms. Sondra "Sonny" O'Connor; Mr. George Gordon; Mr. Erik Rankin

Other Members Present: Ms. Catherine Metsker

Staff Present: Mr. Bill Wasson, County Administrator; Ms. Hannah Eisner, Assistant County Administrator; Ms. Julie A. Morlock, Recording Secretary, County Administrator's Office; Mr. Don Knapp, First Assistant Civil State's Attorney

Department Heads/
Elected Officials

Present: Ms. Becky McNeil, County Treasurer; Ms. Kathy Michael, County Clerk; Ms. Michelle Anderson, County Auditor;

Others Present:

Chairman Owens called the meeting to order at 4:31 PM

Chairman Owens presented the minutes of the June 3, 2015 Finance Committee meeting and May 19, 2015 special meeting of the Finance Committee for approval.

Motion by Schafer/Erickson to approve the Minutes of the June 3, 2015 Finance Committee meeting and May 19, 2015 special meeting of the Finance Committee.

Motion carried.

Ms. Becky McNeil, County Treasurer, presented the County tax revenue report that showed a little growth over the 2014 numbers especially in the income tax area. Ms. McNeil presented the investment report and went over the amounts we are keeping liquid, the amounts with State Farm Bank, and the amounts in money markets with Commerce Bank and Chase Bank. She stated that in the next month there will be bond payments so money in money market accounts for those payments to be made and to meet operations expenses. Ms. McNeil also stated that the negative balance in the payroll account was a timing issue as the report was printed on the 30th but the checks did not go out until July 1st. Ms. McNeil presented the Employee Benefit Fund report and stated that the Administrator's office has allowed this fund to grow to get a reserve

in this account. She stated that the expenses year to date do outpace the revenue but that is because health insurance for the month of July has already paid so 7 months of expenses related to health insurance versus 6 months of revenue. Ms. McNeil also presented the Revolving Loan Fund report where there are 3 loans in active status.

Mr. Robustelli inquired as to progress Administration was making to having Revolving Loan information on line.

Mr. Wasson indicated that staff has been working with the EDC on that project to try to get everyone to one location. He stated that the EDC has been in conversations regarding a project with the City of Bloomington and also the incorporated area of the county to possibly bring CDAP assistance to the program.

Mr. Robustelli inquired as to whether Mr. Ham is still working on recommendations in terms of amendments to this program.

Mr. Wasson confirmed Mr. Ham was still working on it and the last conversation covered some of the limitations and research they were doing of the statutory authorities and whether there was any flexibility that allowed us to modify our rules relative to scope of projects, number of employees and those types of things.

Mr. Robustelli inquired whether this report would be posted to the packet after the fact. He stated that he was aware the Treasurer put the numbers together last minute so that the committee could see the most up-to-date information at the meeting, but he asked if it is possible to post it online with the packet after the meeting.

Mr. Wasson stated that we have tried to post before meeting and that does not work out well.

Ms. McNeil stated that she can't provide numbers in advance of the finance meeting unless the committee is ok with seeing information from the prior month. She also stated that these reports are a combination or summary from other financial system reports so takes a little bit of time to put them together. She stated that the summary reports can be scanned into a pdf.

Mr. Wasson stated that the reports could be attached to the minutes.

Mr. Robustelli stated that he felt that would work. He stated that he felt it was important that anyone looking at proceedings in the future would have reports they could look at that so they could understand what was being discussed. Mr. Robustelli stated that attaching to the minutes would allow a future board member or member of the public to understand what the committee was discussing.

Mr. Wasson confirmed we would start adding reports to the minutes.

Ms. Schafer provided the example from today's meeting when Ms. McNeil indicated there was a negative balance on the investment report and payroll account because of timing of amounts posted as to when report printed and if report is there then others will understand we are not running short.

Mr. Erickson stated that if we post the report, we might want to reference at the top what it refers to, such as Item 1a because the agenda says monthly financial reports but the report itself is titled differently.

Mr. Owens asked if there is a specific % cap for the Employee Benefits Fund that administrators are allowing to grow.

Mr. Wasson stated that we having been increasing the fund to provide for the opportunity for us to evaluate on an annual basis the ability to self-insure for medical plan. Mr. Wasson stated that the fund started out with a small level of funding and has tracked positively for a number of years so now that it is at a point where we are able to have conversations with brokers relative to self-insuring of our benefit plans for the future.

Motion by Robustelli/Erickson to accept and place on file the Month-end Financial Reports from the County Treasurer's Office for the month ending June 30, 2015.
Motion carried.

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

Chairman Owens indicated there was one item for action through Ms. Kathy Michael's office.

Ms. Michael indicated she was requesting an extended leave approval for another employee for exceptional circumstances.

Motion by Robustelli/Schafer to approve Extended Leave of Absence for Employee in Exceptional Circumstances.

Discussion

Ms. Schafer asked if there a time line as to how long extended leaves last.

Mr. Wasson stated that the current request is through August 31, 2015, but generally in circumstances where it would extend longer than that, it will continue to be up to the discretion of the department to determine what a workable time period for the department would be. Mr. Wasson provided an example where an individual is entitled to 12 weeks of FMLA but then needs to extend that leave for a period of time, it would then be up to the department to assess if it was cost effective to retrain an employee for

a short period of time to cover this position or hire and train a new employee. Mr. Wasson stated that departments can't extend leave indefinitely and generally have employees report back and stay in contact with the department on a regular basis and the departments reassess as necessary.

Ms. Schafer stated that this makes two people in the County Clerk's department on leave. She inquired whether that was going to impact operations in her department.

Ms. Michael stated that it is has been an unusual year and they might have a possible third person that would need to go on leave and she has not had this happen in the five years that she has been in office. She stated that they are valuable employees and they want to do what they can for them and they have great empathy for these employees. Ms. Michael stated that the current person before the committee will be out for 4 weeks but if something should happen and they need to be out for another six months then they would have to make a tough decision and probably rehire. Ms. Michael stated that it is a balancing act of being kind, fair and legal but also running the office efficiently.

Chairman Owens, asked if there were any other questions, hearing none he called for the vote.

Vote: Motion carried.

Chairman Owens asked if Ms. Michael had anything further for the committee. Ms. Michael indicated she had nothing further. Chairman Owens thanked Ms. Michael.

Mr. Robustelli stated that he wanted to commend the County Clerk and her staff for the way in which they have managed the transition in state law regarding same sex marriage. He stated that there was an interview on the radio with a couple who recently had gone through the process and they specifically stated that they appreciated the level of professionalism, kindness and care that they received at the County Clerk's office and stated that they did not expect that. Mr. Robustelli stated that he wanted to make sure to say thank you.

Ms. Michael thanked Mr. Robustelli for sending the link to the interview and stated that she remembered the couple and remembered telling them that when you walk through our doors you are treated with respect and equally according to the law.

Chairman Owens stated that Mr. Wasson would take the Animal Control report and that there was a request of approval of a memorandum of agreement for veterinarian services with Dr. Eric Nord.

Motion by Schafer/Erickson to approve request to renew contract for Veterinarian services with Dr. Eric Nord.

Discussion

Ms. Eisner stated that in April a contract for Veterinarian services with Dr. Erick Nord was brought before the committee and the committee expressed a desire to have a request for proposal issued to see if we could get other Vets interested in providing the service instead of just renewing the contract as we had in the past. She stated that in May, the bid request was posted on the County website and the proposal was also sent to all the Vet offices in the county that are on the Animal Control mailing list. Ms. Eisner stated that we received one proposal from Dr. Eric Nord. She stated that Dr. Nord has to continue to provide assistance on a non-contractual basis and his fees over the past 5 months were about \$1,200 which is consistent with or slightly below what other counties are seeing for similar services. Ms. Eisner stated that they are recommending approval of the agreement with Dr. Nord.

Mr. Erickson stated that he remembered when this came before Finance Committee in April and felt it was a good idea that we did try to solicit other Vets unfortunately there were not other vets interested. Mr. Erickson stated that Dr. Nord was being paid on an hourly basis and would only be paid for the time he is working. Mr. Erickson noted that we are using a Veterinarian Technician to do work and only using the Veterinarian when the Veterinarian Technician could not do the work and he thought this was a good idea as the Veterinarian Technician did the work at a lower hourly rate.

Vote: Motion Carried

Chairman Owens stated that the general report for Animal Control was on pages 13-18 of the packet and asked if there were any questions for the report, hearing none Chairman Owens moved on to the next item on the agenda.

Chairman Owens indicated that Cindy Wegner was not able to attend the meeting, so Scott Gima would present their item for action. The request for approval for starting wages for registered nurses.

Motion by Robustelli/Schafer to approve change in starting wages for registered nurses.

Discussion

Mr. Scott Gima stated that they have been attempting to increase our ratio of RNs to LPNs for a number of reasons including quality of care. He stated that with the increasing complexity of the care they need to provide to their residents they need more RNs because RNs receive more clinical training than LPNs. He stated that there is also a side benefit because RNs receive a higher rating in the CMS 5 star system, so as we increase the number of RNs we improve our staffing score. Mr. Gima state that they did a market survey in the Bloomington Normal area and their starting salary for RNs was below the market. He stated that they started at \$19.23 and a few months ago increased the starting wage to \$22.97; however even with the increase in starting wage and the promotion of a great benefit package they have not been able to recruit any

individuals. Mr. Gima stated that they budgeted for 10 FTE RN positions and hope to fill the 5 RN positions they are short. He stated that in the interim our nursing managers are putting in extra hours to help cover evening and weekend shifts so that we make sure we are meeting minimum RN staffing levels that are required by the Illinois Department of Public Health. Mr. Gima stated that they were asking the committee to allow them to increase in the starting wage to \$24.00 with the hope that will help them in the recruiting process and provide equity adjustments for impacted positions as outlined in the memo.

Chairman Owens asked if there were any questions on this item.

Ms. Schafer inquired as to the number of nurses who stay long enough to earn IMRF benefits.

Mr. Wasson stated that new employees now have to be there 10 years under tier 2 for IMRF. He stated that they are statutory required to participate in IMRF but if they leave employment with us prior to the 10 years they can request a refund of their contributions to the program; however, some individuals chose to leave their funds in the program with the hope that they will again work in the IMRF system.

Ms. Eisner stated that it has been her impression that this is a specialized area of nursing and nurses who do it, like it and become very attached to the people they serve in the home and they tend to stay, so we do have long term nurses.

Ms. Schafer inquired if there was less turn over in with the RN positions.

Mr. Gima stated that there is definitely less turn over with the RNs as compared to the CNAs.

Mr. Wasson stated that generally if people stay beyond that 3-4 year period then they become more ingrained in the facility and activities of the facility and are more likely to stay long term. He also stated that there is always going to be a process where we are to see a people come into our facility, get some experience and take that experience elsewhere.

Mr. Gima stated that we are not only competing with other nursing homes with the hospitals in the area and that is difficult because we do not have the financial flexibility the hospitals have.

Mr. Robustelli stated that after reviewing the survey he wondered if there might be other reasons that the nursing home is not receiving applications. He stated that the rates do not seem that different, \$22.97 vs. \$24.00 on an annualized basis is not inconsequential but it is not a huge chunk of money. Mr. Robustelli also stated that he wondered if a reason might be that hospital based work would be more attractive work than working in a nursing home. Mr. Robustelli stated that RNs are in high demand and there might not

be much more that we can do but he inquired if we are being aggressive enough in terms of attracting candidates.

Mr. Gima stated that they are going to try to advertise a new wage program for the nursing home to see if that would attract RNs. He also confirmed that Mr. Robustelli was correct that hospitals are more attractive option for the majority of RNs including new graduates. Mr. Gima stated that our first step is to make sure that our wages are competitive and then working to keep them there so that word gets out that McLean County Nursing Home is a great place to work for all staff members whether RNs, CNAs, or food service.

Mr. Robustelli stated that because of shortage, maybe the word was out in the nursing community that working at the nursing home involved more hours.

Mr. Gima stated that because we have a the lower number of RNs, we fill the slots with LPNs but just to make sure that we meet the minimum number of hours for RNs on a daily basis we plug in our nurse managers. Mr. Gima assured the committee that the nursing home is now working short they just don't have the right ratio of RNs to LPNs. He stated that the nursing home wants to be above minimum staffing levels for RNs and since we are below we are supplementing with other staff.

Mr. Erickson asked if the five-star rating was in a book that he could read.

Mr. Gima stated that there was not a condensed version but that he could forward to the link to the CMS website for the committee to review. He stated that there are 3 different factors that determine your overall 5 star rating that include your complaint surveys for last 3 years with the most recent year weighted heavier; your RN, LPN and CAN staffing hours per resident; and the third one is quality measures. He stated that there are roughly a dozen quality measures that CMS uses to calculate that measure including the number of falls you have in the building and the number of residents with urinary tract infections. He stated that you are stratified against all other nursing homes across the country with the top 10% of homes receiving a 5 star rating, the bottom 10% receiving a 1 star rating and then the remaining 80% of the facilities are evening distributed between 2,3 and 4 stars.

Mr. Robustelli stated that McLean County was rated a 1 star, so if we increase RNs then the staffing rating will increase and help our star rating and be more attractive to referrals from hospitals which could increase the rating.

Mr. Owens asked if any other comments or questions, hearing none he asked for the vote.

Vote: Motion carried.

Chairman Owens asked Mr. Wasson if he had anything for the committee today.

Mr. Wasson indicated he did not have anything for the committee

Chairman Owens asked if there were any other questions for the Administrator

Mr. Robustelli stated that we get a great mid-year report on revenue from our treasurer but we don't have a comprehensive report on expenditures. Mr. Robustelli stated that he thought in future years it would be a good idea for the finance committee to review that. Mr. Robustelli also stated that he thought it would be a good idea to get a report on the State budget and where that stood and maybe some idea as to what would happen to the county government if this continues through the entire summer. He stated that he knew there are a lot of unknowns and it is hard to determine everything the fact is that there is no state budget, we don't know for how long and we should discuss what that mean for us.

Mr. Wasson stated that the most recent information is that the senate did pass a 30 day budget, the House will take that up next week and the Governor's action is unknown. He went on to state that over the years, one question has been why we have an unencumbered balance and this is the reason. He stated that in his 30 year experience working in the State of Illinois, while they have not always paid on time, the State has always paid its bills ultimately and our expectation is that they will continue to pay their bills. He also stated that there are a lot of unknowns because there are many Bills under consideration and administration has been spending time evaluating the impact of those bills and talking other local government representatives and legislators to try to ascertain where we are heading. Mr. Wasson stated that if there is a budget passed that has a 10% or 15% reduction across-the-board there will probably be impacts upon our programs and services and as we go through budget process for our fiscal year 2016 budget we are taking into consideration possible impacts upon our services and our ability to provide some services and discussing those possibilities with our departments.

Mr. Robustelli stated that he appreciated the updated but was concerned about the programs and services that the Health Department provides and how the budget would affect them. He asked if it was possible to receive a report from Mr. Howe at some point or maybe an attachment that could be attached to the full county board agenda so that he could have some answers to questions that people regularly ask him.

Mr. Owens stated that even if we are not the oversight committee next month for the health department that should not be an issue and that oversight committee can look at getting a report from Mr. Howe.

Mr. Wasson stated that a tremendous amount of the revenue that we receive through the state for the health department is actually federal funds that are passed through, for example the WIC program, is a program that is a pass through from the federal government and we have no knowledge of significant reductions in that funding coming

from the federal government through the state. He stated that generally speaking areas that are funded by the federal government have not seen significant program impacts; it is in those areas where the State is the main revenue source that may need to reduce funds to those programs. Mr. Wasson stated that the health department is evaluating program information as part of their budget process and staff is more than happy to talk to the health department about providing information ahead of time to the oversight committee, whether it is this committee or another committee regarding any possible implications we might see with the health department.

Ms. Eisner stated that the area the Nursing Home may feel some budget crunch is in the slowdown of Medicaid payments as those payments might stop but the hope is that we will eventually get those payments.

Mr. Wasson stated that the last Bill we saw today for the 30 day budget did include Medicaid reimbursement as part of that budget.

Ms. Schafer stated that Board of Health is meeting next week and indicated that staff could pass along questions so that information could be discussed or passed long at that meeting and then next month they could provide information to the oversight committee they are assigned to.

Mr. Owens asked if there were any more questions for Mr. Wasson, hearing none, he thanked Mr. Wasson.

Chairman Owens presented the June 30, 2015 Finance Committee bills and transfers for review and approval as transmitted by the County Auditor. The Finance Committee bills include a Prepaid Total of \$1,469,421.39 and a Fund Total that is the same.

MCLEAN COUNTY BOARD COMMITTEE REPORT

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AS OF 6/30/2015

EXPENDITURE SUMMARY BY FUND

Finance Committee

FUND	FUND TITLE	PENDING TOTAL	PREPAID TOTAL	FUND TOTAL
0001	GENERAL FUND		\$323,484.64	\$323,484.64
0130	SOCIAL SECURITY EXPENSE		\$726.75	\$726.75
0131	IMR.F. FUND		\$351,906.19	\$351,906.19
0133	CO-OPERATIVE EXTENSION		\$212,100.00	\$212,100.00
0134	HISTORICAL MUSEUM		\$26,283.20	\$26,283.20
0135	TORT JUDGEMENT		\$63,989.74	\$63,989.74
0137	RECORDER DOCUMENT STORAGE		\$4,885.57	\$4,885.57
0164	CO CLERK DOC STORAGE		\$234.34	\$234.34
0512	EMPLOYEE BENEFIT PLAN		\$485,010.96	\$485,010.96
			<hr/>	
			\$1,469,421.39	\$1,469,421.39



COMMITTEE CHAIRMAN

Motion by Erickson/Robustelli to approve the presented bills.
Motion carried

Chairman Owens presented the Nursing Home bills and transfers for review and approval as transmitted by the County Auditor. The bills include a Prepaid Total of \$275,888.73 and a Fund Total that is the same.

MCLEAN COUNTY BOARD COMMITTEE REPORT

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AS OF 6/30/2015

EXPENDITURE SUMMARY BY FUND

Human Services Committee

FUND	FUND TITLE	PENDING TOTAL	PREPAID TOTAL	FUND TOTAL
0401	NURSING HOME		\$275,888.73	\$275,888.73
			\$275,888.73	\$275,888.73

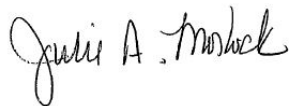

COMMITTEE CHAIRMAN

Motion by Schafer/Robustelli to approve the presented
Nursing Home bills.
Motion carried.

Chairman Owens asked if there were any other business or communication items to come before the committee.

Meeting adjourned at 5:19 PM

Respectfully Submitted,



Julie A. Morlock
Recording Secretary