

Minutes of the Finance Committee

The Finance Committee of the McLean County Board met on Wednesday, August 3, 2016 at 4:30 p.m. in Room 400 of the Government Center, 115 East Washington Street, Bloomington, IL.

Members Present: Chairman James Soeldner, Members Erik Rankin, Chuck Erickson, Carlo Robustelli, Catherine Metsker, David Selzer and Laurie Wollrab

Members Absent: None

Other Members Present: Mr. John McIntyre

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

Department Heads/Elected

Officials Present: Ms. Marshall Thomson, Director, Animal Control; Ms. Becky McNeil, Treasurer, Kathy Michael, County Clerk; Ms. Michelle Anderson, County Auditor, Ms. Jennifer Ho, Risk Management

Others Present: Mr. Kyle Hamm, Amy Engels Director of Research and Economic Data with EDC and Mr. Doug Rush, Regional president for this market with Bloomington Normal Community Bank.

Chairman Soeldner called the meeting to order at 4:30 PM

Chairman Soeldner presented the Minutes of the July 6, 2016 meeting of the Finance Committee for approval.

Motion by Rankin/Selzer to approve the Minutes of the July 6, 2016 meeting of the Finance Committee.

Motion carried.

Chairman Soeldner confirmed there were no appearances by members of the Public but indicated that Ms. Wollrab wanted to make a short statement. Ms. Wollrab stated she was excited to be back on the Committee and asked the Committee's indulgence while she caught up on forms and procedures as they seemed to have changed since the last time she was on the Committee. Mr. Soeldner also asked the Committee to help as he adjusted to the Committee.

Ms. Kathy Michael, County Clerk, presented her monthly reports and an update on election preparations. Mr. Soeldner asked for clarification on the activity numbers for 2015. Mr. Rankin clarified that 2015 number is actually through the end of 2015 and not

year to date comparable. Chairman Soeldner asked if the Committee had any questions for Ms. Michael; hearing none, he thanked her.

Member Metsker joined the meeting at 4:34 p.m.

Chairman Soeldner indicated that Ms. McNeil was not present but that her reports had been sent to the Committee. He summarized numbers and encouraged members to contact Ms. McNeil if they had any questions.

Ms. Michelle Anderson, County Auditor presented her quarterly report and went over it with the Committee. Ms. Wollrab asked for clarification that revenue for the nursing home was coming in; it just was not recorded because they were transitioning with their computer system. Ms. Anderson confirmed that. Chairman Soeldner asked if the Committee had any questions for Ms. Anderson, hearing none, he thanked her.

Chairman Soeldner indicated that Ms. Marshall Thomson, Director, Animal Control was not present but her report was in the packet for consideration. Ms. Metsker commended Ms. Thomson on getting students from Bloomington High School to volunteer at the Animal Control Shelter. Chairman Soeldner encouraged the Committee to contact Ms. Thomson if they had any questions.

Ms. Jennifer Ho, Risk Management presented her quarterly report and indicated that everything was trending well. Mr. Soeldner stated that all department heads needed to be commended on the fact that we are doing well in the risk management area. Ms. Ho agreed. Mr. Selzer asked how the death claim last year was counted in the numbers. Ms. Ho explained where that was in the statistics and explained where we were in the process of the claim. Chairman Soeldner asked if there were any questions for Ms. Ho; hearing none, he thanked her.

Ms. Eisner presented for action a request to approve the proposed reclassifications for Fair Standards Act changes. She explained that changes to our reclassification list were based on amendments by the Department of Labor. She explained the tests that they went over with each Department to determine what positions would need adjustment. Ms. Wollrab asked if they felt that some of the non-exempt positions would work more than 40 hours a week. Ms. Eisner stated that would not be the case in most of the non-exempt positions. Ms. Metsker asked if they had evaluated all the positions that would be placed in the Class 10E and confirmed they had discretion, independent judgement and met other criteria used to determine an exempt position. Ms. Eisner confirmed they had.

Motion by Selzer/Robustelli to recommend approval of the proposed reclassifications for Fair Standards Act changes.
Motion Carried.

Ms. Eisner presented for approval an Ordinance amending "An Ordinance Describing and Designating an Area as an Enterprise Zone" for Destihl Brewery. Ms. Eisner indicated that representatives from EDC were in attendance to discuss. Mr. Mike O'Grady of EDC

explained that the ordinance was the same as one they approved several months ago for the old Enterprise Zone which expired June 30th. He stated this would be for the new Enterprise Zone once approved by the State. Mr. O'Grady stated they wanted to have this approved by the County and other bodies so that when the application is approved by the State they could move forward quickly. Mr. Soeldner asked if Destihl would be reimbursed for sales tax they pay now when the Enterprise Zone goes into effect. Mr. O'Grady indicated that they would lose on what they purchase right now. Mr. Rankin asked if this had pushed back Destihl's time lines. Mr. O'Grady said that he did not know the time lines specifically but figured they were pushing them back as much as they could. Mr. Rankin asked when this might be approved by the State. Mr. O'Grady said he felt it would probably not be until September. Mr. Robustelli asked if program had changed. Mr. O'Grady said not significantly but said he had just found out there are some procedural changes. He indicated changes were posted on line and he would be reviewing them to make sure that was the case.

Mr. Selzer stated that the Enterprise Zone was created to bring business to the area by taking tax dollars out of the equation and asked why we are so quick to make sure this goes through as there are businesses willing to build here. Mr. O'Grady said that the outcomes of 50 to 150 jobs and tax revenue once land is reassessed will outweigh the contribution. Mr. Robustelli said we also have to try to help our existing entrepreneurs expand in the community. Mr. Selzer's said that he understood but wanted to make sure we consider that an Enterprise Zone is an incentive and not a reward and that it is important to remember why State put zones in place. He provided the example of State Farm expanding for years and years without incentives. Mr. Rankin said that Enterprise Zones have changed to encourage those to develop here and also to encourage existing businesses to expand. Ms. Wollrab stated it has become very competitive and so hard to keep good businesses in a community. Mr. Hamm was recognized and indicated that Destihl had been approached by other communities in other states. He said that the State of Illinois caps production at 150 barrels and Destihl could build a much larger facility in Wisconsin but the owner is committed to this community. Mr. Hamm went on to state that Illinois does not offer incentives to come to the State of Illinois and so the Enterprise Zone is one tool we have to encourage people to come. Mr. Rankin asked if there was interest at the State level to increase the limits. Mr. Hamm indicated there are lobbies in Springfield trying to get that changed.

Motion by Robustelli/Wollrab to recommend approval of an Ordinance amending "An Ordinance Describing and Designating an Area as an Enterprise Zone" for Destihl Brewery.
Motion Carried.

Ms. Eisner presented the employee activities report for the month and indicated that there was nothing under the oversight of the Finance Committee.

Mr. Kyle Hamm spoke regarding the CDAP Revolving Loan Program. He presented the history of the program, the process for approval of a loan application, the reports the fund

has to provide to the government, the guidelines for applicants, and the restrictions of the fund. He indicated that the fund has been dormant for 5 years, so in the last year they have streamlined the process, added a date schedule to help applicants with the process, reacquainted banks with the program and have increased marketing to try and get applicants for the program. He indicated that they are also talking about changing some of the parameters of the loan and provided the example of changing the restriction where 1 FTE must be created or retained for each \$15,000 that is loaned and raising that to \$25,000 to make it easier for someone starting or growing business. Mr. Hamm said another barrier has been that the interest rates have been low so there is a lot of competition. He said they would like to recommend marketing this for 6-8 months to see if any projects surface, and if not then look at other ways these funds could be used such as infrastructure development for a specific project. Ms. Metsker mentioned a situation where help with infrastructure, more specifically roads, would help the business and asked if that was possible. Ms. Engels stated that roads could be part of it, but it would have to be tied to a particular business and there would have to be job creation. Mr. Rankin asked for clarification about road construction being allowed. Mr. Hamm said funds would be provided to a business that was creating jobs and the road would be built to help with access to that business.

Mr. Robustelli asked them to bring to the committee the parameters the Committee/Board set and limitations set by the State and the Federal government as well as a list of opportunities. Mr. Robustelli mentioned that there are very few incentives locally for business expansion and gave an example of a successful business that went through the program and asked that they keep this in mind as they discuss changes to the program.

Mr. Rankin said it is a great program that is under-utilized and asked the potential of changing the FTE restriction. Mr. Hamm said that new State administration is very willing to discuss changes. Mr. Rankin asked that they bring suggested changes to the Committee and asked if enough was being done to market program outside of the EDC. Mr. Hamm said that traditionally they have worked with the banks as they are the front line, but if make changes to the programs they are willing to make an aggressive outreach with Pantagraph, radio, chamber, etc. Ms. Engel said there are two things they can't change including the timeframe it takes to put a request through the program and the public exposure companies get that they do not want.

Mr. Selzer said there was a time when banks brought requests directly to the committee and that he remembered that the committee asked the EDC to help with process. He stated that there is history here showing that changes have been made in the past to try to make the program work more efficiently. Mr. Selzer said he was sure the EDC was getting the word out but he knew of businesses that do not know about the revolving loan program. Mr. Robustelli requested that the Finance Committee get an update on this program each year and then discuss changes to the process that could help the program.

Ms. Wollrab asked if we have flexibility to change the interest rate. Ms. Engels said that yes they can set the rate but usually do not go below prime. Mr. Rush agreed that they

could change the rate and that prime is the deciding factor. Ms. Wollrab said that maybe the rate could be adjustable. Mr. Rush said that this is GAP financing so we are subordinate to first and second lien holders so you want to assess a rate based on risk and not just lower them so need to keep that in mind. Ms. Metsker said that many entrepreneurs don't need GAP funding which could limit interest in the program. Mr. Selzer said there is risk, but our goal is economic stimulus. Mr. Erickson asked that Mr. Rush be available if they get into a discussion at a later point about interest rates. He stated that we need to keep the fund solvent and if they cut the rate too low and then issue several loans that fall through it would kill the program as there would be no more funds to lend. Chairman Soeldner asked if there were any further questions or comments; hearing none he thanked them for coming.

Chairman McIntyre spoke regarding disclosure of attendance at a meeting in Washington D.C. on mental health assistance. He also let the Committee know that staff, Property Chair Segobiano and members of Farnsworth and HOK were currently in Atlanta, Georgia touring jails to help answer questions they have on the expansion project here in McLean County. Mr. Rankin and Mr. Erickson assured Mr. McIntyre that he had their support with respect to these trips.

Chairman Soeldner presented the Finance Committee bills for review and approval as transmitted by the County Auditor. The Finance Committee bills include a Prepaid Total of \$624,172.32 and a Fund Total that is the same.

MCLEAN COUNTY BOARD COMMITTEE REPORT


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AS OF 8/1/2016

EXPENDITURE SUMMARY BY FUND

Finance Committee

FUND	FUND TITLE	PENDING TOTAL	PREPAID TOTAL	FUND TOTAL
0001	GENERAL FUND		\$85,002.01	\$85,002.01
0130	SOCIAL SECURITY EXPENSE		\$994.50	\$994.50
0135	TORT JUDGEMENT		\$11,473.50	\$11,473.50
0137	RECORDER DOCUMENT STORAGE		\$2,399.18	\$2,399.18
0164	CO CLERK DOC STORAGE		\$227.44	\$227.44
0512	EMPLOYEE BENEFIT PLAN		\$524,075.69	\$524,075.69
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			\$624,172.32	\$624,172.32

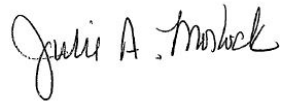

COMMITTEE CHAIRMAN

Motion by Wollrab/Selzer to approve the presented bills.
Motion carried

Chairman Soeldner asked if there was any further business or communication to come before the Committee; hearing none, he adjourned the meeting

Meeting adjourned at 5:53 PM

Respectfully Submitted,

A handwritten signature in cursive script that reads "Julie A. Morlock". The signature is written in black ink and is positioned below the typed name.

Julie A. Morlock
Recording Secretary

**County Treasurer's Monthly Financial Reports
Summary of Tax Revenue**

July Vouchers	2016	Change Over Prior Year	2015
County Wide Sales Tax	\$ 550,516.59	31.0%	\$ 420,369.12
County Sales Tax (Un-Inc)	\$ 45,942.05	-2.3%	\$ 47,028.26
Local Use Tax	\$ 38,170.38	6.5%	\$ 35,852.30
Income Tax	\$ 180,554.76	-11.4%	\$ 203,806.51
PPRT	\$ 274,721.55	0.4%	\$ 273,593.08
Total	\$ 1,089,905.33	11.1%	\$ 980,649.27

Monthly Comparison

July 2016 Vouchers	\$ 1,089,905.33	
July 2015 Vouchers	\$ 980,649.27	
Difference	\$ 109,256.06	11.1%

YTD Comparison

YTD 2016 Vouchers	\$ 5,992,692.70	
YTD 2015 Vouchers	\$ 6,208,931.55	
Difference	\$ (216,238.85)	-3.5%

Budget Comparison

2016 Annual Budget	\$ 10,763,540.00
Budgeted Rev thru 07/31	\$ 6,577,473.00
2016 YTD Actual Vouchers	\$ 5,992,692.70

Over (Under) Budget	\$ (584,780.30)	-8.9%
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History	Rev thru 7/31	Chng Ovr PY
2012	5,584,332.38	
2013	6,071,685.61	8.7%
2014	5,973,455.88	-1.6%
2015	6,208,931.55	3.9%
2016	5,992,692.70	-3.5%

2016 Shared Sales Tax

	Town of Normal	City of Bloomington	
April (Jan Rcpts)	\$ 114,713.92	\$ 153,707.15	
May (Feb Rcpts)	\$ 106,682.49	\$ 161,933.34	
June (Mar Rcpts)	\$ 121,419.16	\$ 188,344.40	
July (Apr Rcpts)	\$ 123,316.93	\$ 330,275.79	
Total	\$ 466,132.50	\$ 834,260.68	\$ 1,300,393.18

Property Tax Receipts

Extension	\$ 34,374,059.00	
Distributions	\$ 18,093,520.05	52.6%

County Treasurer's Monthly Financial Reports
Investment Report
07/31/16

Pooled Fund CD Investments		Amount	Type	Rate	Maturity Date
08/02/15	First State Bank of Bloomington	500,000.00	CD	0.35%	08/02/16
11/04/15	Prairie State Bank & Trust	200,000.00	CD	0.30%	08/04/16
08/10/15	Mid Illini Credit Union	200,000.00	CD	0.42%	08/10/16
09/14/15	Peoples State Bank of Colfax	200,000.00	CD	0.20%	09/14/16
07/14/16	Bloomington Normal Community Bank (Morton)	500,000.00	CD	0.51%	01/14/17
05/14/16	State Bank of Graymont-Chenoa	200,000.00	CD	0.40%	03/14/17
04/03/16	Anchor State Bank-Anchor	200,000.00	CD	0.30%	04/03/17
04/10/16	Illini Bank	200,000.00	CD	0.21%	04/10/17
07/14/16	Bloomington Normal Community Bank (Morton)	200,000.00	CD	0.57%	04/14/17
04/17/16	Atlanta National Bank-McLean	200,000.00	CD	0.27%	04/17/17
11/04/15	Prairieland Federal Credit Union	225,000.00	CD	1.15%	05/04/17
07/03/16	First State Bank of Bloomington	400,000.00	CD	0.35%	07/03/17
07/15/16	Heartland Bank	500,000.00	CD	0.35%	07/15/17

Total Pooled Fund CD Investments **3,725,000.00**

Other Pooled Fund Investments		Amount	Type	Rate	Maturity Date
07/31/16	Chase Bank	2,570,033.84	Op/Sweep	0.02%	Sweep
07/31/16	Heartland Bank	4,927,191.07	High Perf Op	0.07%	Flexible
07/31/16	Illinois Funds Money Market - Co Clerk E-Pay 0001 & 0164	15,545.16	Money Mkt	0.03%	Flexible
07/31/16	Illinois Funds Money Market	1,066,216.66	Money Mkt	0.03%	Flexible
07/31/16	State Farm Bank Money Market	4,960,818.69	Money Mkt	0.35%	Flexible
07/31/16	Commerce Bank Money Market	5,263,003.89	Money Mkt	0.08%	Flexible
07/31/16	Chase Bank Money Market	4,622,565.62	Money Mkt	0.03%	Flexible
07/31/16	Chase Bank-Crt Restitution CS96CF1172 Fund 0001	214,083.84	Operating	0.03%	Flexible
Total Pooled Fund Cash Accounts		23,639,458.77			

Other Investment Accounts		Amount	Type	Rate	Maturity Date
07/31/16	Commerce Bank-HD & Co Clerk Gov Pay	392,566.60	Operating	EC	Flexible
07/31/16	Heartland Bank Public Transportation Fund 0006	55,302.71	Money Mkt	0.03%	Flexible
07/31/16	Commerce Bank-Payroll Clearing Fund 0604	145,657.94	Operating	0.02%	Flexible
07/31/16	Regions Bank-Liability Claims Fund 0135	136,161.54	Operating	EC	Flexible
07/31/16	Illinois Funds MM-Unclmd Prop & Probate Fund 0601	141,296.24	Money Mkt	0.03%	Flexible
07/31/16	PNC Bank-Federal Asset Forfeiture Fund 0150 & 0158	38,878.36	Operating	0.01%	Flexible
Total		909,863.39			

County Motor Fuel Fund 0123		Amount	Type	Rate	Maturity Date
07/31/16	Commerce Bank	1,983,673.39	Operating	0.02%	Flexible
07/31/16	Illinois Funds-Money Market	1,195,248.04	Money Mkt	0.03%	Flexible
Total Funds		3,178,921.43			

McLean County Nursing Home Fund 0401		Amount	Type	Rate	Maturity Date
07/31/16	Heartland Bank Main Op	864,035.94	High Perf Op	0.07%	Flexible
07/31/16	Commerce Bank SS & Res Trust Deposit Acct	467,963.65	Operating		Flexible
07/31/16	Illinois Funds-Money Market	370,695.80	Money Mkt	0.03%	Flexible
07/31/16	Heartland Bank-Money Market	3,082,436.02	Money Mkt	0.07%	Flexible
07/31/16	Commerce Bank-Residents Account	29,173.26	Operating	0.03%	Flexible
08/02/15	First State Bank of Bloomington	500,000.00	CD	0.35%	08/02/16
10/19/15	Flanagan State Bank	507,805.86	CD	1.00%	10/19/17
07/15/16	Heartland Bank	500,000.00	CD	0.35%	07/15/17
07/14/16	Bloomington Normal Community Bank (Morton)	500,000.00	CD	0.57%	07/14/17
Total Funds		6,822,110.53			

Emergency 911 Telephone Service Fund 0450		Amount	Type	Rate	Maturity Date
07/31/16	Commerce Bank	478,352.72	Operating	n/a	Flexible
07/31/16	Commerce Bank Trust - Escrow Reserve held till 12/05/19	9,147.40	Escrow	0.01%	12/05/19
04/30/16	Commerce Bank Trust - Escrow Reserve FHLMC Callable	450,273.25	Escrow		12/05/19

Total Funds**937,773.37****Metro Communications Fund 0452**

		Amount	Type	Rate	Maturity Date
07/31/16	Heartland Bank	376,703.94	High Perf Op	0.03%	Flexible
	Total Funds	376,703.94			

Township Motor Fuel Tax Fund 0501

		Amount	Type	Rate	Maturity Date
07/31/16	Heartland Bank	1,765,401.56	Operating	EC	Flexible
07/31/16	Illinois Funds Money Market	949,757.28	Money Mkt	0.03%	Flexible
	Total Funds	2,715,158.84			

Township Bridge Program Fund 0502

		Amount	Type	Rate	Maturity Date
07/31/16	Chase Bank	1,500.66	Operating	0.01%	Flexible
	Total Funds	1,500.66			

McLean County Free Eye Clinic Fund 0505

		Amount	Type	Rate	Maturity Date
07/31/16	Commerce Bank	31,562.64	Operating	0.01%	Flexible
	Total Funds	31,562.64			

Employee Benefit Plan Fund 0512

		Amount	Type	Rate	Maturity Date
07/31/16	Heartland Bank	3,052,799.84	High Perf Op	0.07%	Flexible
07/31/16	Heartland Bank	1,000,000.00	Money Mkt	0.12%	Flexible
07/15/16	Heartland Bank	500,000.00	CD	0.35%	07/15/17
	Total Funds	4,552,799.84			

Baker Estate Trust Fund 0513

		Amount	Type	Rate	Maturity Date
07/31/16	Commerce Bank	197,511.91	Operating	0.01%	Flexible
	Total Funds	197,511.91			

Community Development Assistance Fund 0603

		Amount	Type	Rate	Maturity Date
07/31/16	Heartland Bank	23,454.17	Operating	0.01%	Flexible
07/31/16	Illinois Funds Money Market	949,742.69	Money Mkt	0.03%	Flexible
	Total Funds	973,196.86			

Drainage Districts

		Amount	Type	Rate	Maturity Date
0529	Patton	13,863.99	Operating	0.08%	Flexible
0530	Adrian	15,677.46	Operating	0.05%	Flexible
0531	Brokaw Brining	35,419.03	Operating	0.08%	Flexible
0532	Easterbrook	56,642.60	Operating	0.01%	Flexible
0533	Gridley	9,295.95	Operating	0.01%	Flexible
0534	Kumler	13,668.86	Operating	0.04%	Flexible
0535	Mackinaw	19,145.43	Operating	0.10%	Flexible
0536	Normal-Towanda	1,909.97	Operating	0.08%	Flexible
0538	Prairie Creek	26,229.86	Operating	0.01%	Flexible
0539	Sangamon River	38,372.37	Operating	0.01%	Flexible
0541	White Star	11,594.86	Operating	0.08%	Flexible
0542	Turkey Creek	8,407.96	Operating	0.08%	Flexible
	Total Funds	250,228.34			

TOTAL OF ALL FUNDS**48,311,790.52**