

## Minutes of the Finance Committee

The Finance Committee of the McLean County Board met on Wednesday, June 6, 2018 at 4:30 p.m. in Room 400 of the Government Center, 115 East Washington Street, Bloomington, IL.

Members Present: Chairman David Selzer, Members Chuck Erickson, Catherine Metsker, Jim Soeldner, Scott Murphy and Laurie Wollrab

Members Absent: Member Erik Rankin

Other Members Present: Chairman John McIntyre and Members Susan Schafer, Jacob Beard, George Gordon, William Caisley, Ryan Scritchlow

Staff Present: Mr. William Wasson, County Administrator; Mr. Donald Knapp Assistant County Administrator, Mr. Eric Schmitt, Administrative Services Director; Ms. Jessica Woods Assistant Civil State's Attorney; Ms. Julie A. Morlock, Recording Secretary;

### Department Heads/Elected

Officials Present: Marshall Thomson, Animal Control Director; Rebecca McNeil, County Treasurer; Michelle Anderson, County Auditor, Jon Sandage, McLean County Sheriff, Jason Chambers, State's Attorney

Others Present:

Chairman Selzer called the meeting to order at 4:30 PM.

Chairman Selzer presented the Minutes of the May 2, 2018 regular meeting and April 17, 2018 special meeting of the Finance Committee for approval.

Motion by Murphy/Soeldner to approve the Minutes of the May 2, 2018 regular and April 17, 2018 special meetings of the Finance Committee.  
Motion carried.

Chairman Selzer confirmed there were no appearances by members of the public.

Ms. Marshall Thomson, Director Animal Control presented her monthly reports. Chairman Selzer asked if there were any questions; hearing none, he thanked her.

Ms. Becky McNeil, McLean County Treasurer, presented for action a Resolution to increase the minimum bid rate used in the auction sale process. Ms. McNeil introduced Mr. Whitney Strohmeier and Mr. Rick Scheibel of Joseph E. Meyer and Associates who handle the auction sale process for the County. Mr. Soeldner asked how raising this amount will affect the number of sales. Mr. Strohmeier indicated that most sales are over the minimum bid, but we are trying to make sure when something sells below the minimum bid the costs are covered. Ms. McNeil indicated that the auction catalog is under review with 37 parcels going to silent auction.

Motion by Murphy/Wollrab to recommend approval of a Resolution to increase the minimum bid rate used in the auction sale process.  
Motion Carried.

Ms. McNeil presented her monthly financial reports. She presented the Tax Revenue Report, which shows May revenue to be up, and shared tax revenue slightly down. She stated that first installment of property taxes were due Monday, June 4<sup>th</sup> and they sent out the first distribution. Mr. Selzer asked how our first distribution this year compared to last year. Ms. McNeil indicated that it was higher this year. Ms. McNeil presented the Investment Report totals and indicated that the Fed will meet again this month and hoped it would mean rates would continue to increase. She went over the Blue Cross Blue Shield self-insured report numbers that showed we are still below 2016 expenses. Mr. Selzer asked if there would have been increases in the Blue Cross Blue Shield plan if we had not moved to self-insured. Ms. McNeil stated that she felt they would have. Ms. Metsker asked why numbers of covered individuals had gone up. Ms. McNeil indicated that it could be changes in eligibility status and provided an example of a change in life qualifying event. Ms. McNeil also went over report she annually puts on the web site to show where the property taxes go including school district distribution. Ms. Wollrab asked how the TIF monies are distributed. Ms. McNeil stated that once they are distributed to the TIF districts, she does not know how funds are distributed. Ms. Wollrab asked if these go to the TIF businesses. Mr. Knapp stated that TIF districts distribute within in their statutory parameters and differ between each TIF district. He stated that they file reports with the Illinois Comptroller that can be accessed by anyone.

Ms. McNeil went over how the McLean County tax money is distributed within the County. She went over another chart that showed how the tax rate has fluctuated very little over the past 10 years. Ms. Metsker asked what was paid out of the Tort Judgement Fund. Ms. McNeil provided examples of insurance liability, worker's compensation and risk insurance. Mr. Knapp added further examples of defense costs, jail medical expenses and claims. He stated he felt it is one of the few unrestricted levies that we have in case there is a catastrophe the County needs to pay for. Ms. Metsker pointed out that our EAV goes up every year, which helps us keep the tax rate level.

Ms. McNeil went over the nursing home fund report. She stated that the receivable balance had been up but made a drop last month and that the cash level is up, which indicates receivables are being collected. Mr. Selzer asked about write-offs. Ms. McNeil stated that there were some write offs in the 2017 reports from the Auditor.

Motion by Soeldner/Murphy accept and place on file the County Treasurer's Monthly Financial Reports.  
Motion Carried.

Ms. Kathy Michael, County Clerk presented her monthly report. Ms. Michaels indicated they completed the slating process. She also provided an update regarding the police station polling place and indicated they would be able to remain there, but would need to send out new registration cards with new name of Unity Community Center. Chairman Selzer asked if there were any additional questions, hearing none, he thanked her.

Ms. Michelle Anderson, County Auditor presented the Popular Annual Financial Report to the Committee to be accepted and place on file. She passed out the Fund Balance update and went over the numbers. She stated that based on the numbers the County could sustain operations from the general fund for 236 days without additional revenue. She pointed out that first installment of Property taxes were due on the 155<sup>th</sup> day of the year, so the County is above the 180-day threshold we like to keep. She stated that the Budget Policy asked that fund balance be at least 15% and we are at about 25%. Ms. Anderson stated that the only part of the fund is legally restricted is the shared sales tax, which would still leave 18.2% unrestricted and still above policy level. Mr. Erickson asked for clarification on the unrestricted general fund number. Ms. Anderson provided the number. Mr. Soeldner asked her to confirm that the 236 days is if we do not receive any other revenue. Ms. Anderson confirmed that is the case.

Motion by Wollrab/Soeldner to accept and place on file the Popular Annual Financial Report.

Motion Carried.

Mr. Selzer indicated that the next item was being moved up from under the Administrator section and was to accept and place on file the Comprehensive Annual Financial Report (CAFR) for the Fiscal Year ended December 31, 2017. Ms. Anderson introduced Mr. Joe Lightcamp, Partner from Baker, Tilly Accounting Firm. Mr. Lightcamp went over the Comprehensive Annual Financial report and indicated that they only prepare 3 pages out of the over 200-page document with the other pages being prepared by the County Auditor, the Treasurer and the County Administrator. Mr. Erickson asked that he sight where he was in the CAFR so the members could follow along. Mr. Lightcamp went over the independent auditor's report and stated that they issued a clean or unmodified opinion over the County's financial statements, which is the highest level of assurance you can get. Ms. Wollrab asked if it continues to be typical among government agencies to pay OPEB on a pay as you go basis and asked how the new GASB regulations would affect the County. Mr. Lightcamp stated that pay as you go is still very common. He stated that one of the accounting standards for next year puts the OPEB obligation on your full accrual financial statements he went on to explain how that will affect statement of net position but not the fund balances and how long you can operate or your ability to pay your bills, but affect your rating for agencies. He went on to discuss other GASB regulations that might affect the County including agency funds that the County is not directly responsible for. He stated that there will be new criteria that could change whether those funds are under Board control or out of Board control. Ms. Wollrab asked him to clarify that there would be funds that we currently show as external funds that could possibly then be shown as internal funds. He confirmed. Mr. Selzer asked if the dollars previously held for the CDAP fund are included in the general fund number. Ms. Anderson confirmed those are included and pointed to page 81 for a breakdown of the general fund. Ms. Metsker asked about shared sales tax and where that is located. Ms. McNeil pointed out where it was on the schedule and indicated that the balance she gave today was after a transfer for PBC bond payment. Ms. Metsker asked why the Tort Judgment Fund came in with a negative balance. Ms. Anderson indicated that it has been a negative for a number of years. Mr. Selzer asked for options to correct that. Mr. Soeldner asked if they would have to raise the tort levy to rectify that and if we are eating our general balance. Ms. Anderson agreed that we would have either increase taxes or decrease expenses. Ms. Wollrab asked her to confirm that we are paying the expenses from general fund. Ms. Anderson confirmed.

Mr. Lightcamp handed out copies of and went over the non-financial results from the audit. He went over the report on internal controls indicating there were no internal control comments and that there are good internal controls. Mr. Selzer asked him if it would be a separate report or engagement if they tested internal controls. Mr. Lightcamp indicated it would be separate and provided an example. Mr. Lightcamp went over accounting standards that will come in to play in the future. He went over the required communications by auditor to those charged with governance document and stated everything was in order. Ms. Anderson stated that the CAFR is a required document and information has to be inserted in a certain manner, but the PAFR does not, which is why it is usually the easier document to gather information from.

Motion by Metsker/Murphy to accept and place on file Comprehensive Annual Financial Report (CAFR) for the Fiscal Year ended December 31, 2017  
 Motion Carried.

Mr. Knapp went over the Employment activities stating none were under the purview of the Justice Committee. Mr. Soeldner asked if Transportation hires were seasonal. Mr. Schmitt confirmed it was summer labor.

Mr. Knapp presented for action a request to approve critical personnel hiring requests. He stated that Court Services was asking to fill a probation officer and the Health Department was asking to fill an immunization nurse position.

Motion by Metsker/Murphy to recommend approval of the critical personnel hiring requests.  
 Motion Carried.

Mr. Knapp presented a request to approve an Ordinance for Prevailing Rate of Public Works Wages for McLean County. Mr. Knapp stated we are required by statute to pass the rates set by the State.

Motion by Soeldner/Erickson to recommend approval of an Ordinance for Prevailing Rate of Public Work Wages for McLean County  
 Motion Carried.

Chairman Selzer presented the Finance Committee bills for review and approval as transmitted by the County Auditor. He stated that the Finance Committee bills include a Prepaid and Fund Total of \$1,326,522.75 as of June 4, 2018.

**MCLEAN COUNTY BOARD COMMITTEE REPORT**

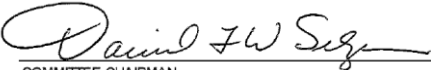
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AS OF 6/4/2018

**EXPENDITURE SUMMARY BY FUND**

**Finance Committee**

<b>FUND</b>	<b>FUND TITLE</b>	<b>PENDING TOTAL</b>	<b>PREPAID TOTAL</b>	<b>FUND TOTAL</b>
0001	GENERAL FUND		\$80,240.64	\$80,240.64
0130	SOCIAL SECURITY EXPENSE		\$497.25	\$497.25
0131	I.M.R.F. FUND		\$683,265.32	\$683,265.32
0135	TORT JUDGEMENT		\$20,820.18	\$20,820.18
0137	RECORDER DOCUMENT STORAGE		\$7,118.08	\$7,118.08
0164	CO CLERK DOC STORAGE		\$339.54	\$339.54
0512	EMPLOYEE BENEFIT PLAN		\$534,241.74	\$534,241.74
			<hr/>	
			\$1,326,522.75	\$1,326,522.75

  
COMMITTEE CHAIRMAN

Motion by Wollrab/Murphy to approve the presented bills in the amount of \$1,326,522.75 as of June 4, 2018.

Motion carried.

Under Other Business Mr. Selzer stated that the July Committee meeting would be on July 3<sup>rd</sup> at 3:00 p.m. because of the July 4<sup>th</sup> Holiday.

Mr. Selzer then indicated that Mr. Erickson had requested time to speak. Mr. Erickson read a statement regarding the 74<sup>th</sup> anniversary of the D-Day invasion. He stated that doing a tribute to veterans had a special significance to him, as his father was a WWII D-day Veteran. He stated that D-day was the largest amphibious assault in the history of man-kind involving the movement of over 175,000 men and 50,000 vehicles across the English Channel from England to France in one night. He then made the comparison to moving all of McLean County (man, woman, child and vehicle) in one night. Mr. Erickson shared an account of his father's D-Day initial assault experience on Omaha Beach that began on June 5<sup>th</sup> at 5:30 p.m. when they departed England. He stated they then rode through rough seas until between 3:00 and 4:00 a.m. when he and his fellow soldiers descended on rope ladders from the ship to board the landing craft that would take them to the beach. Mr. Erickson continued by stating that after spending another 3 to 4 hours in rough seas in the landing craft while being shelled at, they were let out near the beach, to wade through the ocean and then encounter merciless German machine gun fire and mortars. He stated that many men gave the last full measure of devotion on French soil in the battle infamous and known as bloody Omaha. Mr. Erickson stated that we should always honor the spirit of the American Veterans. He closed with President Regan's remarks from a June 6, 1984 speech at the Normandy American cemetery where 9,385 Americans rest in peace. President Regan ended his speech with "We will always remember. We will always be proud. We will always be prepared, so we may always be free." Mr. Erickson asked for a moment of silence after which he stated "God Bless America". Mr. Selzer thanked him.

Chairman Selzer asked for a motion to go into CLOSED SESSION pursuant to section 2 (c)(1) of the Open Meetings Act (5 ILCS 120/2(c)(1)) to discuss the appointment, employment, compensation, discipline, performance, or dismissal of specific employees of the public body or legal counsel for the public body, including hearing testimony on a complaint lodged against an employee of the public body or against legal counsel for the public body to determine its validity. Mr. Selzer asked that Staff and elected County Board members remain in the room and asked that Kathy Davis remain in the room for the first part and then would ask that Ms. Anderson would join us. He stated this was about the salary section that was returned from the County Board for further review.

Motion by Murphy/Wollrab to go into CLOSED SESSION pursuant to section 2 (c)(1) of the Open Meetings Act (5 ILCS 120/2(c)(1)) to discuss the appointment, employment, compensation, discipline, performance, or dismissal of specific employees of the public body or legal counsel for the

public body, including hearing testimony on a complaint lodged against an employee of the public body or against legal counsel for the public body to determine its validity.

Motion Carried.

The Finance Committee entered into closed session at 5:40 p.m.

The Finance Committee returned to open session at 6:29 p.m.

Mr. Selzer presented for action an Ordinance of the McLean County Board Establishing the Annual Salary of the Circuit Clerk, Auditor and Coroner. Mr. Soeldner asked them to confirm the numbers being voted on today. Mr. Selzer went over the numbers in the packet and confirmed the numbers in the packet today were the numbers amended by the Finance Committee and sent to full Board and then sent back here. Ms. Metsker stated that the Committee had spent a lot of time on this subject last month and she did not see that anything had changed. She stated that the Committee should vote numbers from last month based on the job responsibility for the Circuit Clerk, the Auditor and the Coroner, job duties we see in the statutes and work performed for the County. Ms. Wollrab stated she had looked at salary websites for internal auditors at the highest level and what she found was very much in line with the numbers the Committee had presented. She stated she felt more confident in the numbers they had decided on last month. Mr. Selzer asked if there were any other questions or comments; hearing none he called for the vote and indicated he would vote.

Motion by Soeldner/Murphy to recommend approval of an Ordinance of the McLean County Board Establishing the Annual Salary of the Circuit Clerk, Auditor and Coroner.

Motion Carried. Chair voted. Member Erickson voted against.

Chairman Selzer asked for a motion to go into CLOSED SESSION pursuant to 5 ILCS 120/2(c)(2) of the Open Meetings Act for the purpose of discussing collective negotiating matters between public body and its employees or their representatives, or deliberations concerning salary schedule for one or more classes of employees.

Motion by Murphy/Metsker to go into CLOSED SESSION pursuant to 5 ILCS 120/2(c)(2) of the Open Meetings Act for the purpose of discussing collective negotiating matters between public body and its employees or their representatives, or deliberations concerning salary schedule for one or more classes of employees.

Motion Carried.

The Finance Committee entered into closed session at 6:34 p.m.

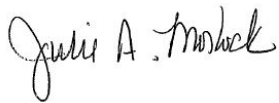
The Finance Committee returned to open session at 6:44 p.m.

Chairman Selzer asked the Committee if there was any other business to come before the Committee. Mr. McIntyre asked the State's Attorney's office to give the Committee definition on parameters of closed sessions and he expressed his concerns on misuses and violations of why we have closed sessions. He stated that he felt Closed Sessions were designed for the protection of the individual, especially when discussing employment and he knows that things

come out of closed sessions. He stated that he has had calls within a very short period of time to discuss something that occurred in closed session and he stated that he felt that was a violation of the Closed Session and causes divisiveness. He stated that he was not sure why individuals talked about closed sessions with outside individuals, but would like the State's attorney to clear up whether this is a violation of ethics or more than that. Mr. Erickson asked if he was directing the comment to anyone in particular at the meeting today. Mr. McIntyre stated that he was not, but telling the Committee that it has occurred and it concerns him.

Chairman Selzer asked if there was anything further to come before the Committee; hearing nothing, he adjourned the meeting at 6:58 p.m.

Respectfully Submitted,

A handwritten signature in black ink that reads "Julie A. Morlock". The signature is written in a cursive, flowing style.

Julie A. Morlock  
Recording Secretary