

## **Minutes of a Special Meeting of the Finance Committee**

The Finance Committee of the McLean County Board met on Monday, June 8, 2020 at 4:30 p.m. in Room 404 of the Government Center, 115 E. Washington Street, Bloomington, Illinois.

Members Present: Chairman Jim Soeldner Members, Catherine Metsker, Chuck Erickson, Laurie Wollrab Carlo Robustelli, Josh Barnett and Jacob Beard (ALL VIA REMOTE ATTENDANCE)

Members Absent:

Other Members Present:

Staff Present: Ms. Camille Rodriguez, County Administrator, Cassy Taylor, Assistant County Administrator; Ms. Cathy Dreyer, Assistant County Administrator Mr. Donald Knapp, State's Attorney, Julie Morlock Recording Secretary;

Department Heads/

Elected Officials/Others Present: Ms. Michelle Anderson, County Auditor,  
Ms. Becky McNeil, County Treasurer

Chairman Soeldner called the meeting to order at 4:30 p.m. and declared a quorum.

Chairman Soeldner confirmed no appearances by members of the public.

Chairman Soeldner indicated the first item on the agenda was the presentation and acceptance of the Popular Annual Financial Report (PAFR) – December 31, 2019. Ms. Anderson indicated she has provided this during her tenure as a more user-friendly way to provide financial information to the public. Ms. Anderson indicated that overall revenues were up, and overall expenses were down. She also indicated the Nursing Home Fund saw a loss. Ms. Metsker asked about ETSB. Ms. Anderson indicated it is the Emergency Telephone System Board. Ms. Metsker asked about it being listed separately. Ms. Anderson indicated that ETSB and Metcom are funded separately so they are listed separately. Ms. Metsker asked about comment on report from Clifton Larson where suggestions were made about several areas processes such as inventory fund balance. Ms. Anderson indicated the fund balance related to adding regional planning in 2018 then starting to pay bills in 2019. She indicated that he deferred revenue comments referred to where the Health Department found something should have been deferred. She indicated that most comments relate to IMRF actuarial report they received which is a report on 2018 numbers and not 2019 numbers. Ms. Metsker asked about note on policy in IT department not having employee access terminated. Ms. Rodriguez indicated re-training employees on that policy would occur. Ms. Metsker asked if this could be automated. Mr. Nelson came forward and indicated they had implemented a system in which the department head notifies of termination, but they do not always enter it in that system right away. Mr. Nelson indicated that no one has access for more than 90 days. Ms. Metsker asked if this was manual and ultimately the IT department has to disable the access. Mr. Nelson indicated that Interns and part time have not been part of the HR system and yes IT disables the access. Ms. Metsker asked if most of these were interns. Mr. Nelson confirmed most of them were interns. Ms.

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Metsker asked if when payroll is notified, they could have a job run that would eliminate the access. Mr. Nelson said it would not be any faster than the manual way they are doing it now but could look into it.

Motion by Beard/Erickson to accept and place on file the Popular Annual Financial Report (PAFR) – December 31, 2019  
Motion Carried.

Chairman Soeldner asked if she had anything further, Ms. Anderson indicated she did not

Chairman Soeldner presented for action a request to approve a request to re-organize the Facilities Department. Ms. Rodriguez indicated they wanted to add a maintenance foreman position and a lead custodian position as they felt it would help with efficiency in the department. She also noted that change remains budget neutral. Ms. Metsker asked if this changes benefits on those positions. Ms. Rodriguez indicated that benefits would remain the same.

Motion by Barnett/Beard to recommend approval of request to re-organize the Facilities Department.  
Motion Carried.

Chairman Soeldner presented for action a request to approve a Resolution Amending the Funded Full-Time Equivalent Positions Resolution for 2020 for Fund 0001 Department 0041 Facilities Management. Ms. Rodriguez indicated this action item is needed to finalize the reorganization.

Motion by Metsker/Barnett to recommend approval of a Resolution Amending the Funded Full-Time Equivalent Positions Resolution for 2020 for Fund 0001 Department 0041 Facilities Management  
Motion Carried.

Chairman Soeldner presented for action the presentation and acceptance of the Comprehensive Annual Financial Report by Clifton Larson Allen. Ms. Hope Wheeler presented a power point with the highlights of the CAFR. She went over reports they provide including CAFR that Ms. Anderson prepares, and they review, the Governance Communication letter and the Management Letter with other matters, recommendations and comments. She indicated they are still working on single audit on federal expenditures and would have it to them later this month. She went over testing they do through the audit process, provided highlights and indicated they issued a clean unmodified opinion. She stated that there were no new major GASB standards that needed to be included this year. She went over the Government Financial Statements including full accruals, fund level statement, and budget to actuals of all funds. She summarized the Modified Accrual Statements for the funds excluding the nursing home. She discussed the fiduciary funds where money is held for other funds such as the circuit clerk and fees they receive. She also went over three-year trends for the funds.

Ms. Wheeler then went over the Governance Communication letter indicated there were no changes in scope of audit and no new government accounting standards implemented. Not just cash in and cash out but there are estimates such as the pension liability and self-funded insurance liability were some incurred claims have not been paid out and outstanding Accounts Receivable such as with the Nursing Home. She went over Management Letter that included recommendations and comments that were not significant matters.

Mr. Soeldner asked to get a copy of the PowerPoint. Ms. Rodriguez stated she would send out again. Ms. Metsker asked about page 8 and negative change to the Public Building Commission. Ms. Wheeler indicated that comes from a separate audit report that is done by another firm. Ms. Metsker asked if they could approve when we don't know why a negative change. Ms. Wheeler said they could look into it but reminded the Committee that the PBC was issued a clean unmodified opinion. Ms. Anderson indicated the PBC picked up some extra expenses as they were trying to furnish the jail expansion and maybe those were not anticipated. Ms. Metsker asked her to confirm this does not mean there is a problem. Ms. Anderson confirmed. Ms. McNeil confirmed we did receive additional funds from the PBC with regard to the jail expansion. Ms. Anderson also pointed out that the general fund as reported is a combination of multiple funds. She indicated the actual general fund is only a portion of the amount that was reported and went over the amounts in the different funds.

Mr. Beard asked her if the corrections that needed to be made were not considered red flags. Ms. Wheeler confirmed and indicated that was why they were recommendations. Mr. Beard asked about fund balances and if she had a recommendation or opinion on amounts that should be in the funds at year end. Ms. Wheeler indicated that some say 3-6 months of one year's expenses in the funds. She stated many counties and municipalities are reporting multiple negative fund balances and McLean only had one. Mr. Beard asked if our net position at the end of 2019 was appropriate. Ms. Wheeler stated that nothing jumped out at her as revenues were more than expenses and overall fund balance increased. Mr. Robustelli indicated she had mentioned 3-6 month and asked if there a percentage that should be in the unrestricted balance to be considered a healthy balance. Ms. Wheeler stated she had not heard it stated as a percentage, but government finance is 3-6 month or 12-month expenditure amount. Ms. Anderson stated they have general wanted between 10-15% in the general fund because they can spend that on anything, and we have 11% currently. Mr. Robustelli ask if there is a way to translate that into months of expenses. She indicated the County has roughly about a month and a half of reserves.

Ms. Wollrab asked about policies of other government entities. Ms. Wheeler indicated that a lot of her clients do not have written reserve policies as they usually have rules of thumb but not a policy. Ms. Metsker asked if vote today would not include the single audit. Ms. Wheeler confirmed they do not have the single audit and so only would be voting on the CAFR. Mr. Soeldner asked if the single audit would be available for stand up. Ms. Wheeler indicated it might be possible, they were waiting on some information before it went through their review. Ms. Metsker asked that the motion be clarified. Mr. Barnett and Ms. Wollrab confirmed only voting on the Comprehensive Annual Financial Report.

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Motion by Barnett/Wollrab to recommend acceptance and placement on file of the Comprehensive Annual Financial Report by Clifton Larson Allen.  
Motion Carried.

Chairman Soeldner asked if there was anything under other business. Mr. Barnett asked if the County has a formal policy for vendors that requires they have an anti-discrimination policy. Mr. Knapp indicated that in the Request for Proposals we have anti-discrimination language and also in the Mclean County Code there is an anti-discrimination policy that mentions entities that work with the County. He said they could look at purchasing policy to make sure the language is sufficient. Mr. Barnett asked that it be brought back for July.

Ms. Wollrab asked him to confirm our policies refer back to federal laws and asked if we also site state statutes. Mr. Knapp stated they site a lot of statutes and regulations and he would have to look to see what was state and what was federal. Mr. Erickson asked if we have had a vendor raise an issue. Mr. Knapp stated not that he could recall.

Chairman Soeldner asked if there was anything else to come before the Committee; hearing nothing, he adjourned the meeting at 5:30 p.m.

Respectfully Submitted,

*Julie A. Morlock*

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Recording Secretary