

CHAMPAIGN COUNTY BOARD
COMMITTEE MINUTES

FINANCE COMMITTEE MINUTES

Wednesday, December 15, 2004

**Meeting Rm. 1, Brookens Administrative Center
1776 E. Washington St., Urbana**

7:00 p.m.

MEMBERS PRESENT: McGinty, Avery, Bensyl, Doenitz, Gross, O'Connor, Tapley, Wysocki

MEMBERS ABSENT: Betz

OTHERS PRESENT: Deb Busey (County Administrator), Denny Inman (County Administrator), Joel Fletcher (State's Attorney's Office), Michael Frerichs (Auditor), Stan Jenkins (Board of Review), Elizabeth Murphy (RPC), Dan Welch (Treasurer)

Call to Order

Chair McGinty called the meeting to order at 7:01 p.m. Declaring a quorum present, the Chair proceeded with the meeting.

Approval of Agenda/Addendum

MOTION by Wysocki to approve the agenda and addendum for the meeting; seconded by Tapley. Motion carried.

Approval of Minutes

MOTION by Wysocki to approve the Regular Session minutes of November 17, 2004; seconded by Tapley. Motion carried.

Public Participation

None.

Committee First Meeting Discussion

Chair McGinty suggested that each committee member introduce themselves and give the reasons they selected Finance as a committee assignment. The committee members introduced themselves and detailed their reasons for being on the Finance Committee.

Budget Amendments/Transfers

MOTION by Wysocki to recommend to the County Board approval of Budget Amendment #04-00058 from RPC County Rehabilitation Revolving Loans, H.O.M.E. Program – HUD-Odd Years, and IHDA Housing Rehabilitation Program; Budget Amendment #04-00059 from RPC Economic Development Loans – County Rehabilitation Revolving Loans, RPC Economic Development Loans H.O.M.E. Program – HUD-Odd Years, and RPC Economic Development Loans – IHDA Housing Rehabilitation Program; Budget Amendment #04-00061 from General Corporate – Public Defender; Budget Amendment #04-00062 from General Corporate – State's Attorney; Budget Amendment #04-00067 from General Corporate – State's Attorney; Budget Amendment #04-

00068 from General Corporate – Public Properties; and Budget Amendment #04-00070 from Defense Service ICJIA – Public Defender. Motion seconded by Tapley. Tapley asked about the budget amendments concerning loan programs. Busey explained that the budget amendments presented at this meeting concerning loan programs, are to correct a clerical error that designated the wrong fund. The actual loans were previously approved by the Finance Committee. Motion carried.

MOTION by Wysocki to recommend to the County Board approval of Budget Amendment #05-00001 from General Corporate – ESDA/Civil Defense; Budget Amendment #05-00002 from Highway Federal Aid Matching Fund – Highway; and Budget Amendment #05-00004 from General Corporate – Circuit Clerk. Motion seconded by Tapley. Tapley asked about Budget Amendment #05-00002. Busey explained that during the budget process and the changing of County Engineers, only the revenue was appropriated in the Highway Federal Aid Matching Fund and no expenditure was appropriated. This amendment is to correct that error. Tapley asked if the fund balance projection was off because of this error. Busey did not think the fund balance projection was incorrect. O'Connor asked if the levy to fund the Federal Highway Matching Fund is still in existence. He was under the impression that the levy was eliminated last year. Busey explained the levy is still in existence, though it is very small, at less than \$5,000. This fund still has a fund balance, this is appropriations for projects that were previously approved and are scheduled to take place in FY05. Motion carried.

MOTION by Wysocki to recommend to the County Board approval of Budget Transfer #04-00013 from County Motor Fuel – Highway; Budget Transfer #04-00016 from Mental Health – Mental Health Board; Budget Transfer #04-00017 from General Corporate – Auditor; Budget Transfer #04-00019 from Child Advocacy Center - Child Advocacy Center; Budget Transfer #04-00022 from Nursing Home – Dietary, Nursing Home – Nursing Service; and Budget Transfer #04-00023 from General Corporate – Coroner. Motion seconded by Tapley. Bensyl asked why the Mental Health Board lists an unusually vague description on their request for a budget transfer. No one from the Mental Health Board was present, so Busey suggested a reason for the lack of description could be because while the Mental Health Board determines what the expenditures are for, the County Board must approve their actual budget. Therefore, in order for the Mental Health Board to be able to move money from a personnel line item to a non-personnel line item, the County Board approval is required. Motion carried.

County Administrator
General Corporate Fund Revenue/Expenditure Report

Busey explained the details included in each monthly General Corporate Fund Revenue/Expenditure Report for the benefit of the new members of the Finance Committee. The report has remained fairly consistent throughout the current fiscal year. The Penalties on Taxes line is are doing very well. \$350,000 had been budgeted for this revenue line, \$537,158 was actually achieved, an excess in revenue budgeted of \$187,158. The County is achieving a higher level in the Business Licenses and Permits line than what was originally projected. This is primarily attributable to the continuing increase in recording documents from the Recorder's Office. This line is generating over \$600 more in revenue than was projected. The County is not doing as well in the area of State Reimbursement, which is currently projected at \$365,036 less than what was budgeted. The reason for this is because the state dropped its reimbursement rate for salaries, effective July 1st and this was not known when the current budget was prepared. Income tax is behind, but is rebounding and is not as far behind as it has been in previous years. The projections are that income tax will be fairly flat with what was received last year. This is positive because income tax has dropped every year for three prior years. Another revenue source that is down is fines, due to the operation of the criminal justice system. The bottom line is that Busey is expecting to receive 103% on revenue for the General Corporate Fund in FY2004.

Busey reported the fund balance began at 10.5%. The goal is a 12.5% fund balance. With the current projected revenue and 100% of FY2004 expenditures, the FY2004 ending budget looks to have a \$111,000 deficit. Busey stated this deficit is highly unlikely because 100% of the budget is almost never spent. A more realistic

figure is to calculate spending 98% of the budget. The revenue and expenditure budget also anticipated a \$600,000 grant coming through for ESDA from FEMA. This grant will not happen and a budget amendment was approved at this meeting to handle the situation. At this time, a revenue positive budget is anticipated for FY2004 General Corporate Fund in the amount of \$331,362. This is consistent with the General Corporate Fund projections since July of this year. The FY2004 budget will not be closed until December 31, 2004 and it will take some time to close the books. It is likely there will not be any additional information on the FY2004 budget for the January Finance meeting. However, the FY2004 end results of revenue and expenditure should be available by the County Board meeting in January.

Tapley asked which section of the report reflected budget amendments approved tonight. Busey explained the numbers. Wysocki asked what was happening in the Forfeiture line. Busey stated this line is unpredictable and is budgeted based on a low average.

General Corporate Fund Budget Change Report

Busey also explained the details of this report for the benefit of new committee members. Expenditure was increased by 5.34% over FY2004. Revenue was increased by 5% over FY2004, making it a close match with expenditure changes. The County's budget remained fairly stable throughout the year.

MOTION by Wysocki to accept and place on file the County Administrator's reports; seconded by Tapley. Motion carried.

Contract for GIS Services

MOTION by Tapley to approve the contract for GIS Services; seconded by Bensyl. Discussion was held during which Busey explained that this is an agreement for the GIS Consortium to provide services for the Supervisor of Assessments to complete state-mandated mapping required by Bullet 810. The funding for this was budgeted in the FY2005 Budget. Due to legal issues that were brought to light by the County's attorney this afternoon concerning the Intergovernmental Agreement establishing the GIS Consortium and how to enter into a contract between the GIS Consortium and the County for these services, Busey recommended deferring this item until the next Finance meeting. Fletcher stated that these issues involve decisions that have to be made by the Policy Committee; otherwise he would have recommended making the corrections to the contract from the floor.

MOTION by Tapley to defer the contract for GIS Services until the next Finance meeting; seconded by Doenitz. Motion carried with one no vote.

Treasurer

Monthly Report

Welch gave an overview of the monthly reports that his office provides to the Finance Committee for the benefit of new committee members. He explained how to read the various fund columns in his reports. Sales tax is already up for the end of the year. The Treasurer's Office has collected 18.6 million dollars for the Public Safety Sales Tax since its inception six years ago. Public Safety Sales Tax was up 4% for this year. It is a solid source of funds for the County. Liability insurance shows a \$426,000 loan because some of their money is invested for a longer period of time than they had originally anticipated. Welch discussed the collection side of his office. He noted that the University of Illinois pays less than \$20,000 in real estate tax.

MOTION by Tapley to receive and place on file the Treasurer's monthly report for November 2004; seconded by Wysocki. Motion carried.

Annual Report – December 1, 2003 to November 30, 2004

Welch presented an annual report of funds, with a comparison of this year's balance with last year's balance in each fund. There was an 8% increase in interest earnings for the year. Welch encouraged any committee members to stop by his office for any further explanation of the numbers or if they would find an additional report helpful.

MOTION by Wysocki to receive and place on file the Treasurer's annual report for December 1, 2003 to November 30, 2004; seconded by Doenitz. Motion carried.

Auditor

Purchases Not Following Purchasing Policy

This report was provided for information. Frerichs provided a list of departments who did not obtain a purchase order for purchases over \$1,000, in violation of the County's Purchasing Policy, and employees who did not submit travel costs within 45 days. The committee will soon see the 2003 expenditures paid in 2004 are a result of delinquent vendors submitting bills.

Monthly Report

Frerichs explained the information provided in his monthly report for the benefit of new committee members. The numbers listed in this month's report are not the final numbers because the books are not closed until December 31, 2004. Final numbers will likely be available at the County Board meeting in January. Frerichs offered to answer any additional questions committee members might have.

MOTION by Wysocki to receive and place on file the Auditor's monthly report for November 2004; seconded by Tapley. Motion carried.

Chair's Report

Appointment of Labor Subcommittee

Chair McGinty appointed Tom Betz, Claudia Gross, Brendan McGinty, Steve Moser, and Scott Tapley to the Labor Subcommittee. McGinty based his appointments on recommendations from each political party.

MOTION by Bensyl to approve the appointments to the Labor Subcommittee; seconded by Wysocki. Motion carried.

Resolution Approving Extension of Term of the Board of Review

MOTION by Tapley to approve the Resolution Approving Extension of Term of the Board of Review; seconded by Wysocki. Tapley asked for an explanation of this extension. Fletcher explained it is a statutory requirement that the County Board must approve an extension if the Board of Review is not finished with its assessments by the end of the calendar year. Jenkins stated an extension is not uncommon. The reason for this extension is because both Carle Foundation and Provena Covenant have informed the Board of Review that they will tender exempt requests to the Board of Review's office on the 30th day of December. Due to the nature of these exemptions and the preparation necessary, the Board of Review's work cycle will extend past the end of the calendar year. Considering the sensitive nature of these exemptions, Jenkins is requesting the formal extension. Jenkins encouraged the Finance Committee members to stop by his office and see how the Board of Review operates. Fletcher noted that the Board of Review has processed exemptions past the end of the calendar year in previous years and this has not affected the validity of those exemptions, and case law supports this. The formal

request of the extension this year is simply a belt and suspenders approach to cut off any possible argument relating to the term of the Board of Review this year. Motion carried.

Other Business

Gross asked for introductions of the non-committee members present. Inman, Fletcher, Frerichs, Jenkins, Murphy, and Welch introduced themselves.

Adjournment

Chair declared the meeting adjourned at 7:54 p.m.

Respectfully submitted,

Kat Bork
Administrative Secretary

Secy's note: The minutes reflect the order of the agenda and may not necessarily reflect the order of business conducted at the meeting.