

FINANCE COMMITTEE AGENDA
Meeting Rm. 1, Brookens Administrative Center
1776 E. Washington St., Urbana
7:00 p.m. January 6, 2005

Chair: Brendan McGinty
Members: Avery, Bensyl, Betz, Doenitz, Gross, O'Connor, Tapley, Wysocki

AGENDA

- | <u>ITEM</u> | <u>Page No.</u> |
|---|------------------------|
| 1. <u>Call to Order</u> | |
| 2. <u>Approval of Agenda/Addendum</u> | |
| 3. <u>Approval of Minutes</u> – Regular Meeting – December 15, 2004; Closed Session – October 20, 2004. | 1-5 |
| 4. <u>Public Participation</u> | |
| 5. <u>Budget Amendments/Transfers</u> | |
| a. <u>Budget Transfer #05-00008</u> | 6 |
| Fund/Dept: 080-075 General Corporate – General County
080-030 General Corporate – Circuit Clerk
080-130 General Corporate – Circuit Clerk Support Enforcement
080-031 General Corporate – Circuit Court
080-032 General Corporate – Jury Commission
080-036 General Corporate – Public Defender
Total Amount of Transfer: \$40,510
To cover salary increase due to settlement of AFSCME bargaining unit contracts. | |
| b. <u>Budget Transfer #05-00009</u> | 7 |
| Fund/Dept: 080-075 General Corporate – General County
080-041 General Corporate – State's Attorney
080-141 General Corporate – State's Attorney Support Enforcement
Total Amount of Transfer: \$14,683
To cover salary increase due to settlement of bargaining unit contracts. | |
| 6. <u>County Administrator</u> | |
| a. General Corporate Fund Revenue/Expenditure Report (<i>to be distributed</i>) | |
| b. General Corporate Fund Budget Change Report (<i>to be distributed</i>) | |
| c. Contract for GIS Services | |
| 7. <u>Treasurer</u> | |
| a. Monthly Report | |

Finance Committee Agenda, Cont'd.
Wednesday, January 6, 2005
Page 2

8. **Auditor**

- a. Purchases Not Following Purchasing Policy – *(FOR INFORMATION ONLY – to be distributed)*
- b. Monthly Report

9. **Chair's Report**

10. **Other Business**

11. **Adjournment**

*Champaign County Administrative Services
1776 E. Washington St.
Urbana, IL 61802
217-384-3776*

*Barbara Wysocki
County Board Chair
Debra Busey and Denny Inman
County Administrators*

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.

REQUEST FOR BUDGET TRANSFER
NEEDING CHAMPAIGN COUNTY BOARD APPROVAL

BT NO. 05-00008

FUND 080 GENERAL CORPORATE	DEPARTMENT 075 GENERAL COUNTY
080 GENERAL CORPORATE	030 CIRCUIT CLERK
080 GENERAL CORPORATE	130 CIRC CLK SUPPORT ENFORCE
080 GENERAL CORPORATE	031 CIRCUIT COURT
080 GENERAL CORPORATE	032 JURY COMMISSION
080 GENERAL CORPORATE	036 PUBLIC DEFENDER

TO LINE ITEM:

FROM LINE ITEM:

NUMBER/TITLE	\$ AMOUNT	NUMBER/TITLE
080-030-511.03 REG. FULL-TIME EMPLOYEES	18,795.	080-075-511.27 SALARY INCREASE LIMIT
080-030-511.04 REG. PART-TIME EMPLOYEES	335.	080-075-511.27 SALARY INCREASE LIMIT
080-130-511.03 REG. FULL-TIME EMPLOYEES	882.	080-075-511.27 SALARY INCREASE LIMIT
080-031-511.03 REG. FULL-TIME EMPLOYEES	14,016.	080-075-511.27 SALARY INCREASE LIMIT
080-032-511.04 REG. PART-TIME EMPLOYEES	648.	080-075-511.27 SALARY INCREASE LIMIT
080-036-511.03 REG. FULL-TIME EMPLOYEES	2,956.	080-075-511.27 SALARY INCREASE LIMIT
080-051-511.03 REG. FULL-TIME EMPLOYEES	842.	080-075-511.27 SALARY INCREASE LIMIT
080-052-511.03 REG. FULL-TIME EMPLOYEES	2,036.	080-075-511.27 SALARY INCREASE LIMIT

EXPLANATION: TO COVER SALARY INCREASES DUE TO SETTLEMENT OF AFSCME
BARGAINING UNIT CONTRACTS.

DATE SUBMITTED: 12-22-04

Debra L. Busby

AUTHORIZED SIGNATURE

APPROVED BY PARENT COMMITTEE:

DATE: _____

* PLEASE SIGN IN BLUE INK *

APPROVED BY BUDGET AND FINANCE COMMITTEE:

DATE: _____

REQUEST FOR BUDGET TRANSFER
NEEDING CHAMPAIGN COUNTY BOARD APPROVAL

BT NO. 05-00009

FUND 080 GENERAL CORPORATE
080 GENERAL CORPORATE
080 GENERAL CORPORATE

DEPARTMENT 075 GENERAL COUNTY
041 STATES ATTORNEY
141 STS ATTY SUPPORT ENFORCE

TO LINE ITEM:

FROM LINE ITEM:

NUMBER/TITLE	\$ AMOUNT	NUMBER/TITLE
080-041-511.03 REG. FULL-TIME EMPLOYEES	10,356.	080-075-511.27 SALARY INCREASE LIMIT
080-041-511.04 REG. PART-TIME EMPLOYEES	314.	080-075-511.27 SALARY INCREASE LIMIT
080-141-511.03 REG. FULL-TIME EMPLOYEES	4,013.	080-075-511.27 SALARY INCREASE LIMIT

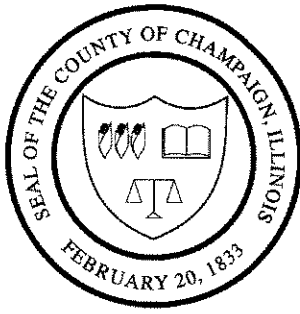
EXPLANATION: TO COVER SALARY INCREASES DUE TO SETTLEMENT OF BARGAINING
UNIT CONTRACTS.

DATE SUBMITTED: 12-22-04

Debra L. Busby
AUTHORIZED SIGNATURE
* PLEASE SIGN IN BLUE INK *

APPROVED BY PARENT COMMITTEE: _____ DATE: _____

APPROVED BY BUDGET AND FINANCE COMMITTEE: _____ DATE: _____



FINANCE COMMITTEE ADDENDUM
Meeting Rm. 1, Brookens Administrative Center
1776 E. Washington St., Urbana
7:00 p.m. January 6, 2005

Chair: Brendan McGinty
Members: Avery, Bensyl, Betz, Doenitz, Gross, O'Connor, Tapley, Wysocki

ADDENDUM

<u>ITEM</u>	<u>Page No.</u>
5. <u>Budget Amendments/Transfers</u>	
c. <u>Budget Amendment #04-00085</u> Fund/Dept: 103-060 Highway Federal Aid Matching Fund – Highway Increased Appropriations: \$244,281 Increased Revenue: \$0 For engineering and construction costs for FY04.	1
d. <u>Budget Amendment #05-00012</u> Fund/Dept: 085-060 County Motor Fuel – Highway Increased Appropriations: \$138 Increased Revenue: \$0 To meet FY05 contract.	2
e. <u>Budget Amendment #05-00013</u> Fund/Dept: 080-071 General Corporate – Public Properties Increased Appropriations: \$26,430 Increased Revenue: \$0 To re-encumber appropriations for bunk gap filler at the satellite jail and for equipment at 400 N. Broadway. Work was encumbered in FY04, but work not yet completed in FY05.	3
f. <u>Budget Amendment #05-00014</u> Fund/Dept: 080-040 General Corporate – Sheriff Increased Appropriations: \$5,600 Increased Revenue: \$0 Invoices for lettering on 7 squad cars done in June-November 2004 were not delivered until after the last date for payment out of fiscal year 2004 budget. This is to re-encumber those funds in FY 2005 for payment of FY 2004 obligation.	4
9. <u>Chair's Report</u>	
a. Discussion – Issuance of bonds to pay ERI liability with IMRF.	

Champaign County Administrative Services
1776 E. Washington St.
Urbana, IL 61802
217-384-3776

Barbara Wysocki
County Board Chair
Debra Busey and Denny Inman
County Administrators

FUND 103 HWY FED AID MATCHING FUND DEPARTMENT 060 HIGHWAY

INCREASED APPROPRIATIONS:

ACCT. NUMBER & TITLE	BEGINNING BUDGET AS OF 12/1	CURRENT BUDGET	BUDGET IF REQUEST IS APPROVED	INCREASE (DECREASE) REQUESTED
103-060-533.04 ENGINEERING FEES	55,000	79,000	101,113	22,113
103-060-544.11 ROAD IMPROVEMENTS	0	0	222,168	222,168
TOTALS	55,000	79,000	323,281	244,281

INCREASED REVENUE BUDGET:

ACCT. NUMBER & TITLE	BEGINNING BUDGET AS OF 12/1	CURRENT BUDGET	BUDGET IF REQUEST IS APPROVED	INCREASE (DECREASE) REQUESTED
None: from Fund Balance				
TOTALS	0	0	0	0

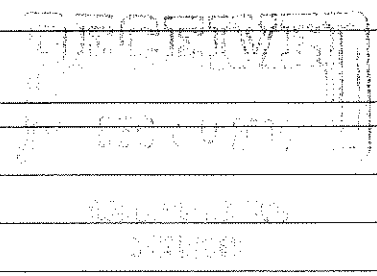
EXPLANATION: FOR ENGINEERING AND CONSTRUCTION COSTS FOR FY-04.

DATE SUBMITTED:

12/29/04

AUTHORIZED SIGNATURE

** PLEASE SIGN IN BLUE INK **



APPROVED BY PARENT COMMITTEE:

DATE:

APPROVED BY BUDGET & FINANCE COMMITTEE:

DATE:

FUND 085 COUNTY MOTOR FUEL

DEPARTMENT 060 HIGHWAY

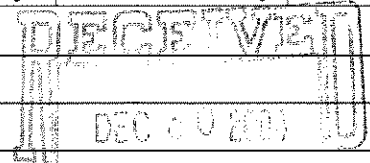
INCREASED APPROPRIATIONS:

ACCT. NUMBER & TITLE	BEGINNING BUDGET AS OF 12/1	CURRENT BUDGET	BUDGET IF REQUEST IS APPROVED	INCREASE (DECREASE) REQUESTED
085-060-511.02 APPOINTED OFFICIAL SALARY	99,030	99,030	99,168	138
TOTALS	99,030	99,030	99,168	138

INCREASED REVENUE BUDGET:

ACCT. NUMBER & TITLE	BEGINNING BUDGET AS OF 12/1	CURRENT BUDGET	BUDGET IF REQUEST IS APPROVED	INCREASE (DECREASE) REQUESTED
None: from Fund Balance				
TOTALS	0	0	0	0

EXPLANATION: TO MEET FY-05 CONTRACT.



DATE SUBMITTED: 12/30/04 AUTHORIZED SIGNATURE: [Signature] ** PLEASE SIGN IN BLUE INK **

APPROVED BY PARENT COMMITTEE:

DATE:

RECEIVED

DEC 30 2004

CHAMPAIGN COUNTY AUDITORS OFFICE

APPROVED BY BUDGET & FINANCE COMMITTEE:

DATE:

FUND 080 GENERAL CORPORATE

DEPARTMENT 071 PUBLIC PROPERTIES

INCREASED APPROPRIATIONS:

ACCT. NUMBER & TITLE	BEGINNING BUDGET AS OF 12/1	CURRENT BUDGET	BUDGET IF REQUEST IS APPROVED	INCREASE (DECREASE) REQUESTED
080-071-544.31 RADIO EQUIPMENT	0	0	3,391	3,391
080-071-534.72 SATELLITE JAIL REPAIR-MNT	28,000	28,000	51,039	23,039
TOTALS	28,000	28,000	54,430	26,430

INCREASED REVENUE BUDGET:

ACCT. NUMBER & TITLE	BEGINNING BUDGET AS OF 12/1	CURRENT BUDGET	BUDGET IF REQUEST IS APPROVED	INCREASE (DECREASE) REQUESTED
None: from Fund Balance				
TOTALS	0	0	0	0

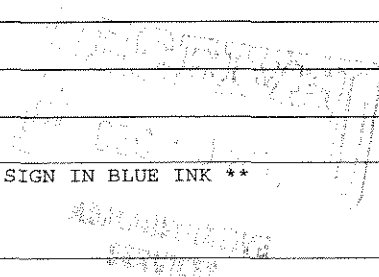
EXPLANATION: TO RE-ENCUMBER APPROPRIATIONS FOR BUNK GAP FILLER AT THE SATELLITE JAIL AND FOR EQUIPMENT AT 400 N BROADWAY. WORK WAS ENCUMBERED IN FY04, BUT WORK NOT YET COMPLETED IN FY05.

DATE SUBMITTED:

AUTHORIZED SIGNATURE

** PLEASE SIGN IN BLUE INK **

Alan Reinhardt



APPROVED BY PARENT COMMITTEE:

DATE:

APPROVED BY BUDGET & FINANCE COMMITTEE:

DATE:

FUND 080 GENERAL CORPORATE

DEPARTMENT 040 SHERIFF

INCREASED APPROPRIATIONS:

ACCT. NUMBER & TITLE	BEGINNING BUDGET AS OF 12/1	CURRENT BUDGET	BUDGET IF REQUEST IS APPROVED	INCREASE (DECREASE) REQUESTED
080-040-533.40 AUTOMOBILE MAINTENANCE	100,000	100,000	105,600	5,600
TOTALS	100,000	100,000	105,600	5,600

INCREASED REVENUE BUDGET:

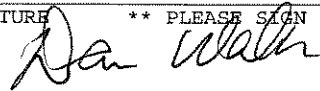
ACCT. NUMBER & TITLE	BEGINNING BUDGET AS OF 12/1	CURRENT BUDGET	BUDGET IF REQUEST IS APPROVED	INCREASE (DECREASE) REQUESTED
None: from Fund Balance				
TOTALS	0	0	0	0

EXPLANATION: INVOICES FOR LETTERING ON 7 SQUAD CARS DONE IN JUNE-NOVEMBER 2004 WERE NOT DELIVERED UNTIL AFTER THE LAST DATE FOR PAYMENT OUT OF FISCAL YEAR 2004 BUDGET. THIS IS TO RE-ENCUMBER THOSE FUNDS IN FY2005 FOR PAYMENT OF FY2004 OBLIGATION.

DATE SUBMITTED:

AUTHORIZED SIGNATURE

** PLEASE SIGN IN BLUE INK **

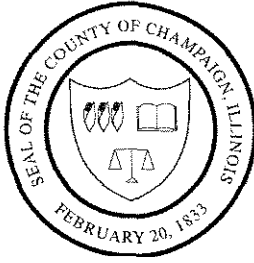


APPROVED BY PARENT COMMITTEE:

DATE:

APPROVED BY BUDGET & FINANCE COMMITTEE:

DATE:



Finance Committee Addendum – #2

County of Champaign, Urbana, Illinois

Thursday, January 6, 2005 - 7:00 p.m.

*Meeting Room 1, Brookens Administrative Center
1776 East Washington Street, Urbana*

5. Budget Amendments/Transfers

- g. Budget Amendment #05-00015
Fund/Dept: 075-665 RPC-University of Illinois Traffic Study
Increased Appropriations: \$60,000
Increased Revenue: \$60,000
Receipt of contract for transportation system analysis.

10. Other Business

- a. Inmate Phone System Contract - Discussion

FUND 075 REGIONAL PLANNING COMM DEPARTMENT 665 UNIV IL TRAFFIC STUDY

INCREASED APPROPRIATIONS:

ACCT. NUMBER & TITLE	BEGINNING BUDGET AS OF 12/1	CURRENT BUDGET	BUDGET IF REQUEST IS APPROVED	INCREASE (DECREASE) REQUESTED
See attached				
TOTALS	0	0	60,000	60,000

INCREASED REVENUE BUDGET:

ACCT. NUMBER & TITLE	BEGINNING BUDGET AS OF 12/1	CURRENT BUDGET	BUDGET IF REQUEST IS APPROVED	INCREASE (DECREASE) REQUESTED
See attached				
TOTALS	0	0	60,000	60,000

EXPLANATION: RECEIPT OF CONTRACT FOR TRANSPORTATION SYSTEM ANALYSIS.

DATE SUBMITTED: 1-4-05 AUTHORIZED SIGNATURE *E. Highway* ** PLEASE SIGN IN BLUE INK **

APPROVED BY PARENT COMMITTEE: _____ DATE: _____

APPROVED BY BUDGET & FINANCE COMMITTEE: _____ DATE: _____

**ATTACHMENTS GIVEN
TO THE COMMITTEE
AT THE MEETING**

**FINANCE COMMITTEE
JANUARY 6, 2005**

GENERAL CORPORATE FUND REVENUE REPORT - FY2004 -FINAL REPORT

January 6, 2005

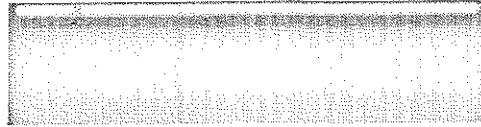
SIGNIFICANT REVENUE LINE ITEMS/CATEGORIES	FY2003	FY2003	FY2004	FY2004	% of	\$ DIFFERENCE
	BUDGET 12/1/2002	ACTUAL 12/31/2003	BUDGET 12/1/2003	ACTUAL 11/30/2004	ORIGINAL BUDGET	TO ORIGINAL BUDGET (+/-)
PROPERTY TAXES (CURRENT)	\$6,013,183	\$5,964,906	\$6,266,012	\$6,232,671	99%	(\$33,341)
PROPERTY TAXES (ESCROW)	\$0	\$0	\$0	\$0	100%	\$0
PROPERTY TAXES (BACK)	\$3,000	\$0	\$3,000	\$6,893	230%	\$3,893
MOBILE HOME TAXES	\$9,500	\$12,567	\$10,300	\$10,460	102%	\$160
PAYMENT IN LIEU OF TAXES	\$3,000	\$2,605	\$3,400	\$3,875	114%	\$475
COUNTY HOTEL/MOTEL TAX	\$30,000	\$19,053	\$19,413	\$13,689	71%	(\$5,724)
COUNTY AUTO RENTAL TAX	\$17,500	\$14,485	\$25,000	\$14,503	58%	(\$10,497)
PENALTIES ON TAXES	\$346,000	\$507,413	\$350,000	\$539,178	154%	\$189,178
BUSINESS LICENSES & PERMITS	\$36,100	\$34,785	\$34,000	\$36,588	108%	\$2,588
NON-BUSINESS LIC. & PERMITS	\$909,000	\$1,292,732	\$923,000	\$1,547,896	168%	\$624,896
FEDERAL GRANTS	\$380,886	\$377,626	\$454,309	\$656,842	145%	\$202,533
STATE GRANTS	\$309,355	\$253,149	\$312,770	\$345,464	110%	\$32,694
STATE SHARED REVENUE						
CORP. PERS. PROP. REPL. TAX	\$582,061	\$434,189	\$392,915	\$500,797	127%	\$107,882
1% SALES TAX (UNINCORPOR.)	\$800,142	\$831,823	\$846,393	\$935,363	111%	\$88,970
1/4% SALES TAX (ALL COUNTY)	\$4,367,505	\$4,326,578	\$4,451,204	\$4,480,677	101%	\$29,473
PHOTO-PROCESSING SALES TAX	\$0	\$0	\$0	\$0	100%	\$0
USE TAX	\$338,052	\$208,445	\$297,972	\$465,280	156%	\$167,308
INHERITANCE TAX	\$232,000	\$130,119	\$190,000	\$330,011	174%	\$140,011
STATE REIMBURSEMENT	\$1,783,081	\$1,768,725	\$1,815,081	\$1,323,828	73%	(\$491,253)
SALARY REIMBURSEMENT	\$256,760	\$152,069	\$166,760	\$150,316	90%	(\$16,444)
STATE REV./SALARY STIPENDS	\$42,000	\$42,000	\$42,000	\$42,000	100%	\$0
INCOME TAX	\$2,436,821	\$2,199,295	\$2,261,927	\$2,045,583	90%	(\$216,344)
CHARITABLE GAMES LIC/TAX	\$0	\$1,268	\$0	\$1,374	100%	\$1,374
OFF-TRACK BETTING	\$102,000	\$87,157	\$101,500	\$93,827	92%	(\$7,673)
LOCAL GOVERNMENT REVENUE						
LOCAL GOVERNMENT REVENUE	\$248,050	\$386,428	\$274,500	\$328,366	120%	\$53,866
LOCAL GOVERNMENT REIMBURSE.	\$405,875	\$447,577	\$365,489	\$371,070	102%	\$5,581
GENERAL GOVERNMENT	\$2,649,950	\$3,058,778	\$3,710,840	\$3,681,352	99%	(\$29,488)
FINES	\$1,009,750	\$1,154,474	\$1,049,750	\$822,649	78%	(\$227,101)
FORFEITURES	\$2,500	\$8,239	\$7,000	\$23,028	329%	\$16,028
INTEREST EARNINGS	\$188,500	\$67,542	\$105,500	\$77,297	73%	(\$28,203)
RENTS & ROYALTIES	\$501,129	\$488,596	\$503,107	\$473,132	94%	(\$29,975)
GIFTS & DONATIONS	\$5,000	\$1,385	\$0	\$4,920	100%	\$4,920
OTHR FIN. SOURCES--FIX. ASSETS	\$38,000	\$9,080	\$24,100	\$25,602	106%	\$1,502
OTHR. MISC. REVENUE	\$290,300	\$291,111	\$308,650	\$311,291	101%	\$2,641
INTERFUND TRANSFERS	\$398,687	\$471,281	\$667,742	\$657,036	98%	(\$10,706)
INTERFUND REIMBURSEMENTS	\$77,150	\$75,184	\$84,220	\$73,752	88%	(\$10,468)
OTHER FINANCING SOURCES	\$0	\$183,839	\$0	\$0	100%	\$0
TOTALS	\$24,812,837	\$25,304,502	\$26,067,854	\$26,626,609	102%	\$558,755

GENERAL CORPORATE FUND REVENUE REPORT - FY2004 -FINAL REPORT

FUND BALANCE 11/30/03	\$2,849,525
BEGINNING FUND BALANCE % OF BUDGET -	10.93%
ADD FY2004 REVENUE	\$26,626,609
LESS FY2004 EXPENDITURE	\$26,070,027
Increase in Fund Balance	\$556,582
FUND BALANCE PROJECTION - 11/30/04	\$3,406,107
% of FY2005 Budget	12.62%

TOTAL IMRF/ERI LIABILITY - \$2,371,869

	Annual Payment		Total Interest Paid	
	Amortized over 10 years	Amortized over 8 years	Amortized over 10 years	Amortized over 8 years
Traditional Repayment through IMRF- 7.5% annual interest	\$346,004.00	\$405,477.00	\$1,085,041.00	\$868,814.00
Repayment of Obligation through Bond Issue - average 4.5% annual interest	\$300,150.00	\$360,073.00	\$626,497.00	\$505,584.00
Annual Savings through Bond Issue which could be diverted to re-build Self-Funded	\$45,854.00	\$45,404.00		
Total Savings through Bond Issue which could be diverted to re-build Self-Funded			\$458,544.00	\$363,230.00



FDIC



Archives | Feedback | About Us | Home Delivery

Home

Email Story

Print Story

News

- Top Stories
- AP MoneyWire
- Anniversaries
- Obit Listings
- Opinion
- Wire
- Weather
- Weddings
- Corrections
- Available Editions

Sports

- Top Stories
- Boys Basketball
- Girls Basketball
- Available Editions

Features

- A & E
- Food
- Outdoors
- Voice

Classifieds

- Search
- All
- Automotive
- Employment
- Open Houses
- Real Estate
- Rentals
- Telepersonals
- Jobs at the SJ-R

Entertainment

- Movie Listings

Services

- Online Forms
- Advertise Online
- Place Ad Online
- Subscribe Online
- Single Copy Outlets
- NIE

Contact Us

General

(217) 788-1300

Classifieds

(217) 788-1330

advertise@sj-r.com

Circulation

(217) 788-1440

delivery@sj-r.com

Newsroom

(217) 788-1513

sjr@sj-r.com

City officials plan bond sale to pay off pensions

By JAYETTE BOLINSKI
STAFF WRITER

Springfield officials plan to take out a \$15.8 million loan in the form of bonds to pay off pension liability incurred as a result of last year's early retirement program.

The \$15.8 million, which represents additional employer costs for the early retirement program, must be paid to the Illinois Municipal Retirement Fund over a five- to 10-year period. The city could pay it on a monthly basis to IMRF with an interest rate of about 8 percent; however, officials determined they probably could get a better rate - in the neighborhood of 6 percent or less - by taking out a loan and paying off the liability all at once.

The bond approach, which officials likened to taking out a mortgage, is expected to save the city \$300,000 to \$400,000.

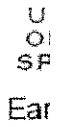
It is unclear exactly what the interest rate will be because the bonds have not yet been issued. They will be repaid over a 10-year period.

An ordinance authorizing the bonds went before the Springfield City Council's finance committee Tuesday evening but generated little discussion. Aldermen did approve combining the sale of the bonds with the sale of bonds to settle a wrongful-death lawsuit with the family of an Athens veterinarian who was killed in 2002 when his car was struck by a speeding police car.

As a result, the total amount of bonds sold would be \$16.7 million, aldermen said.

Louis Kosiba, executive director of the Illinois Municipal Retirement Fund, said it's not unusual for a municipality that offers early retirement to incur a pension liability.

"I'm only familiar with one other city that has sold bonds to pay off any early retirement incentive liability, and it was the city of Charleston. We're not hearing a lot of employers selling bonds to pay any obligations



Despite Lower Volume, Taxables Continue Expansions Trend

By Matthew Johnson

The taxable municipal market has continued its expansionary trend over the past four years even though volume in 2004 was lower than 2003, according to a panel of financial professionals at The Bond Buyer's annual Metro Finance Conference.

"We have seen the tax municipal market grow over the last few years," said Rick Kolman, managing director for municipal underwriting at Goldman, Sachs & Co. The 2003 fiscal year was a break out year for taxable muni, particularly, because of a record setting \$10 billion taxable pension issue sold by the state of Illinois on June 5. But 2004 has been more diverse in terms of what types of issues are being sold in the marketplace and it is still larger in terms of volume than the years preceding 2003, he added.

"What we have seen is a lot more support — many more investors getting in public finance. "We are in the process of selling one of our subsidiaries, which would mean that a significant amount of European exposure would be reduced, but at the same time we have to rubber tape the income lost from the sale of that subsidiary and the United States market is pretty much where management is looking currently to gain."

"What we have seen is a lot more support — many more investors getting in public finance. "We are in the process of selling one of our subsidiaries, which would mean that a significant amount of European exposure would be reduced, but at the same time we have to rubber tape the income lost from the sale of that subsidiary and the United States market is pretty much where management is looking currently to gain."

"What we have seen is a lot more support — many more investors getting much more comfortable with the tax municipal market and what it's all about," says Goldman's Rick Kolman.

Between mid-November 2004, general purchase/public improvement represented \$11.36 billion or 42% of the taxable muni market; the student loan category made up \$5.63 billion or 21%; housing accounted for \$3.32 billion or 12%; gas and public power constituted \$1.99 billion or 7%; education drew \$1.89 billion or 7%; and transportation comprised \$1.32 billion or 5%.

"Currently our portfolio is overly European ... and we want to diversify the portfolio more," said Herbert Jacobs, general manager for DEPTA Bank, an international bank that deals purely in European markets.

"There is a good match here for the big European banks who have traditionally been the source of funding for European regions and municipalities because it has been a culture of bank lending," said Allen Anders, deputy director at the New York City Office of Management and Budget. "It's a good match for us because they are comfortable with public sector assets, they are looking to diversify and so here are American assets they can buy."

"Foreign bank support has been a really big change over the last couple of years," said Kolman. "What you typically see with the tax exempt market ... is the individual dominating that [percentage of the market] with the preponderance of the purchases," said Kolman. "It is very, very different from what you typically see in the tax exempt world."

According to data provided by Goldman Sachs, European investors hold

According to data provided by Goldman Sachs, European investors hold

CHAMPAIGN COUNTY ADMINISTRATIVE SERVICES

Cummulative Values - Inmate Phone System

2003

1/5/05

Month	<u>Total</u>			<u>Local</u>			<u>Intralata</u>			<u>Interlata</u>			<u>Interstate</u>		
	Calls	Revenue	Minutes	Calls	Revenue	Minutes	Calls	Revenue	Minutes	Calls	Revenue	Minutes	Calls	Revenue	Minutes
Feb	3,488	\$18,978.11	31,896	2,548	\$12,634.98	23,243	84	\$404.66	657	641	\$3,655.43	6,385	215	\$2,283.04	1,611
March	5,379	\$28,584.68	45,498	3,696	\$17,649.78	30,890	268	\$1,274.44	2,000	1,137	\$6,084.60	9,824	278	\$3,757.86	2,784
April	4,896	\$25,558.13	40,203	3,535	\$16,795.17	29,100	170	\$754.17	1,045	914	\$4,866.75	7,757	277	\$3,142.04	2,301
May	5,325	\$28,638.12	47,269	3,767	\$18,344.22	33,270	280	\$1,326.54	2,066	976	\$5,526.32	9,407	302	\$3,441.04	2,526
June	4,666	\$24,028.63	38,855	3,410	\$16,256.59	28,237	230	\$1,073.75	1,625	820	\$4,454.36	7,386	206	\$2,243.93	1,607
July	4,710	\$24,478.06	39,811	3,434	\$16,581.19	29,101	142	\$642.23	940	941	\$4,999.76	8,093	193	\$2,254.88	1,677
August	4,918	\$26,242.51	41,542	3,623	\$17,406.63	30,585	138	\$622.62	898	811	\$4,486.28	7,407	346	\$3,726.98	2,652
September	5,249	\$27,386.60	45,245	4,017	\$19,457.20	35,037	164	\$833.23	1,418	818	\$4,298.41	6,756	250	\$2,797.76	2,034
October	4,408	\$22,500.38	36,009	3,178	\$15,314.29	27,244	150	\$690.21	1,027	862	\$4,232.14	6,162	218	\$2,263.74	1,576
November	3,698	\$19,122.64	31,083	2,604	\$12,499.29	22,298	172	\$773.99	1,104	735	\$3,901.20	6,322	187	\$1,948.16	1,359
December	4,155	\$22,029.06	38,055	3,040	\$15,099.51	27,950	163	\$751.96	1,108	810	\$4,518.43	7,763	142	\$1,659.16	1,234
Totals	50,892	\$267,546.92	435,466	36,852	\$178,038.85	316,955	1961	\$9,147.80	13,888	9,465	\$51,023.68	83,262	2,614	\$29,518.59	21,361
% of Total				72.4%	66.5%	73.0%	3.9%	3.4%	3.2%	18.6%	19.0%	19.0%	5.1%	11.0%	5.0%

<i>Totals/2003</i>	50,892	\$267,546.92	435,466	36,852	\$178,038.85	316,955	1961	\$9,147.80	13,888	9,465	\$51,023.68	83,262	2,614	\$29,518.59	21,361
<i>Totals/2004</i>	43,939	\$237,912.24	396,292	32,219	\$158,227.40	291,985	1,570	\$7,604.10	12,208	7,582	\$41,278.46	68,887	2,568	\$30,802.28	23,212
	<i>94,831</i>	<i>\$505,459.16</i>	<i>831,758</i>	<i>69,071</i>	<i>\$336,266.25</i>	<i>608,940</i>	<i>3531</i>	<i>\$16,751.90</i>	<i>26,096</i>	<i>17,047</i>	<i>\$92,302.14</i>	<i>152,149</i>	<i>5,182</i>	<i>\$60,320.87</i>	<i>44,573</i>

Cummulative Values - Inmate Phone System

2004

Month	Calls	<u>Total</u> Revenue	Minutes	Calls	<u>Local</u> Revenue	Minutes	Calls	<u>Intralata</u> Revenue	Minutes	Calls	<u>Interlata</u> Revenue	Minutes	Calls	<u>Interstate</u> Revenue	Minutes
January	5,291	\$28,284.38	48,813	3,383	\$16,410.22	29,490	172	\$754.90	1,029	1,567	\$9,057.97	16,728	169	\$2,061.29	1,566
Feb	4,410	\$23,105.94	40,306	3,216	\$15,854.78	29,282	79	\$403.84	698	1,008	\$5,508.86	9,297	107	\$1,338.46	1,029
March	5,707	\$31,230.85	51,851	4,321	\$21,237.41	39,002	198	\$1,005.07	1,759	841	\$4,645.12	7,750	347	\$4,343.25	3,340
April	4,482	\$24,953.51	39,899	3,223	\$15,840.91	29,272	145	\$666.22	991	765	\$4,015.13	6,206	349	\$4,431.25	3,430
May	4,213	\$23,269.37	38,241	3,149	\$15,515.73	29,211	170	\$827.49	1,332	564	\$2,997.15	4,748	330	\$3,929.00	2,950
June	3,873	\$21,798.98	35,654	2,731	\$13,566.84	25,591	190	\$992.62	1,727	639	\$3,360.76	5,367	313	\$3,878.76	2,969
July	3,970	\$21,086.81	32,208	2,904	\$13,697.28	23,815	160	\$783.09	1,262	592	\$2,988.06	4,459	314	\$3,618.38	2,672
August	4,062	\$21,403.45	36,278	3,080	\$15,159.29	27,907	130	\$590.95	868	676	\$3,671.96	6,058	176	\$1,981.25	1,445
September	4,185	\$22,539.54	37,812	3,227	\$15,858.11	29,412	121	\$599.99	1,001	574	\$3,132.65	5,253	263	\$2,948.79	2,146
October	3,746	\$20,239.41	35,230	2,985	\$15,086.83	29,003	205	\$979.93	1,541	356	\$1,900.80	3,021	200	\$2,271.85	1,665
November															
December															
Totals	43,939	\$237,912.24	396,292	32,219	\$158,227.40	291,985	1,570	\$7,604.10	12,208	7,582	\$41,278.46	68,887	2,568	\$30,802.28	23,212
% of Total				73.0%	66.5%	74.0%	3.6%	3.0%	3.1%	17.3%	17.4%	17.4%	5.8%	13.0%	6.0%

County	2003	\$154,000.00
	2004	\$155,387.84
		<u>\$309,387.84</u>

	Annual	
Mental Health	\$68,282	8/18/04 - 6/30/2006
Inmate Health Care	<u>\$306,720</u>	5/01/04 - 5/01/06 (\$25,560/Month)
	<u>\$375,002</u>	

Evercom Systems, Inc.
IL Rates Comparison for Champaign Co.
Based on a 10 minute call *

Provider	Local (Day)	IntraLATA (Day)	InterLATA (Day)
Illinois Rate Caps (Effective 1.1.05)	5.30	5.30	5.30
Evercom	5.07	5.07	5.07
SBC	4.54	4.54	N/A
Consolidated Communications	4.67	4.67	4.67
AT&T	N/A	N/A	4.50

**Responses to questions asked by Champaign County, IL
regarding their Inmate Calling System**

January 5, 2005

Does the message for phone calls state it is coming from the Correctional Center, identify the person calling and what the rates are?

Answer: Yes. Every call is identified as coming from a correctional facility. It includes the inmates name (If he/she chose to record it at the beginning of the call) and call rates are available at the beginning of every call, PRIOR to acceptance. The rates quoted are the Daytime rates. Optionally, your system can be set to store an inmates name and then automatically re-use the recorded name on each subsequent call; if the PIN system is turned on.

**Comparing Champaign County with other institutions,
How does our system compare to others?**

Answer: The Evercom (Securus Technologies, Inc.) system is the most widely used system in the United States and is used in more than 3,000 correctional facilities. It is used by City, County, State and Federal facilities. Your system is similar to most all others. From the user's perspective, there is little or no difference in the operational characteristics between "most" inmate calling systems.

What is a range of rates used by other institutions and how do we compare with these rates?

Answer: Your facility charges the same rates as most other IL correctional facilities that are served by Evercom Systems. Your rates are slightly below the IL regulatory rate cap and are slightly more than what SBC and Consolidated Communications would charge. A rate table is attached that compares various call types for a typical 10 minute call.

Average length of term of contracts for other institutions and how we compare.

Answer: Most contracts are 3 to 5 years in length and most include optional renewal periods. Your agreement is a 2 year agreement and includes an optional auto-renewal clause.

Number of minutes annually compared with other facilities of similar size.

Answer: Your facility's usage appears to be typical with other facilities. Your facility is running approximately 406,000 minutes per year. (Using actual call detail for Nov. and Dec. 04 as reference months) Your call timer length is set at 15 minutes and your average call length is 9.11 minutes.

Who sets the rates? Is it the Interstate Commerce Commission? Is there an Illinois State Commerce Commission? If so, what is the range of cost per call for other prisons?

Answer: Rate guidelines are set by the IL Public Utility Commission for all Intrastate calls. They have established maximum rate caps than cannot be exceeded by any carrier. Evercom's rates are below the IL rate cap. See attached rate comparisons

EVERCOM

January 17, 2003

Debra L. Busey
County Co-Administrator
Brookens Administrative Center
1776 East Washington Urbana,
IL 61802

Dear Mrs. Busey:

Attached, please find the fully executed copy of your Inmate Pay Telephone Agreement between the County of Champaign and Evercom Systems, Inc.

We would like to thank you at this time for choosing Evercom as your inmate phone provider.

Should you need further assistance, please contact your Evercom Representative.

Evercom Systems, Inc.
Contracts Administration
Accounting Department

INMATE PAY TELEPHONE AGREEMENT

This Inmate Pay Telephone Agreement (the "Agreement") is made as of the 1st day of February 2003, by and between **County of Champaign** ("Customer") located at the Champaign Co. Sheriffs Office, 204 E. Main Street, Urbana, IL 61801 and Evercom Systems, Inc. ("Evercom") located at 8201 Tristar Drive, Irving, Texas 75063.

1. **Utilization of Facility.** The Customer, for and in consideration of the payment of the Commission (as hereinafter defined) and the services to be provided by Evercom, grants Evercom the exclusive right and license to install and maintain an Inmate Telecommunications System governing all inmate calls, except initial calls in the book-in area and attorney calls, including calls made on public pay (cash/coin) phones, local and long distance traffic for collect calling and potentially debit calling, and inter-related hardware and software, (collectively "Equipment") within all pre-existing and future jail and/or detention facilities excluding the Champaign County Youth Detention Center (collectively the "Facility"), Subject to the approval of the Champaign Co. Sheriff, the Facility shall be made available to Evercom for complete installation and operation of the Equipment.

2. **Compensation.** In consideration of the right to install and operate the Equipment within the Facility, Evercom agrees to pay the Customer on a monthly basis the greater of: (a) Fourteen Thousand Dollars or (b) Forty-Eight and One Half Percent (48.5%) of the gross revenue from use of the Equipment by inmates within the Facility (the "Commission"). Gross revenue shall include all revenue generated by public pay (cash/coin) phones and all collect calls billed (actual local and long distance calls billed via a local exchange carrier, does not include debit.) The Commission shall be paid to the Customer on a monthly basis, as set forth in Section 3 below. The Customer herein agrees that any current or future use of prepaid calling services (Debit) will be covered by a separate Letter of Agreement.

3. **Payment and Accounting.** Evercom agrees to pay the Customer the Commission on a monthly basis. The commissions shall be paid no later than *thirty* days following the month in which revenues were generated from the Equipment during the term of this Agreement. All commission payments shall be final and binding upon the Customer unless written objection thereto is received by Evercom within sixty days of the Customer's receipt of the Commission payment along with a statement of the monthly gross revenues to Customer by Evercom. *If the Customer wishes the Commission to be remitted to an address that is different than the address on the first page of this contract, please advise in writing.*

4. **Maintenance and Repair.** During the term of this Agreement, Evercom will repair and maintain the Equipment in good operating condition, including without limitation, furnishing all parts and labor, at its sole cost and expense, all such maintenance shall be conducted in a timely manner, (usually within 24 hours). Subject to the approval of the Champaign Co. Sheriff, employees or contractors of Evercom shall be allowed reasonable access to the Facility in order to service, repair and maintain the Equipment. The Customer shall notify Evercom of any misuse, destruction, damage or vandalism to the Equipment, as soon as practicable after ascertaining the same. Evercom, by providing Equipment or service from third party vendors makes no representation or warranty with respect to such service or Equipment and, unless expressly stated herein, makes no commitment to maintain or service such Equipment hereafter; all such arrangements should be made by Customer and third party vendor. *All Equipment installed must meet the Champaign Co. Sheriffs standards for safety and security.*

5. **Liability Insurance.** Evercom will indemnify the Customer against all liability, demands, claims, suits, losses, damages, causes of action, fines or judgments including costs, attorneys' and witnesses' fees and expenses incident thereto for injuries (including death) to persons or property arising out of or in connection with Evercom's performance of its duties under this Agreement, unless caused by the gross negligence or willful misconduct of the Customer. Evercom agrees to maintain comprehensive general liability insurance coverage having limits of not less than \$1,000,000.00 in the aggregate. The Customer shall be named as an additional insured party on such insurance coverage. Within thirty (30) days of the execution of this Agreement, Evercom shall provide the Customer with a certificate of insurance evidencing the above-described coverage. The Customer agrees to provide Evercom with reasonable and timely notice of any claim, demand or cause of action made or brought against the Customer arising out of, or related to, the utilization of the Equipment. Evercom shall have the right to defend any such claim, demand or cause of action at its sole cost and expense and within its sole and exclusive discretion. The Customer agrees not to compromise or settle any claim or cause of action arising out of or related to the utilization of the Equipment without the prior written consent of Evercom. In no event shall the Customer be liable for any damage or destruction to any item of the Equipment.

6. Term of Agreement. The term of this Agreement and the obligations of the parties under this Agreement shall commence the 1st of February, 2003 (the Commencement Date.) This Agreement shall remain in force and effective for (2) years from the Commencement Date hereafter known as the initial term which shall have an expiration date of February, 1, 2005. Upon written notice to be provided at least thirty (30) days prior to the expiration of the initial Agreement, the Customer may renew this Agreement for an additional two year term after the initial term upon the same terms and conditions as set forth herein. If, because of strikes, riots, wars or for any other reason, business operations at the Facility shall be interrupted for periods of time other than as is customary for operations conducted at the Facility, the expiration of the term of this Agreement shall be extended for a period of time equal to the period of such extraordinary interruption or stoppage of business operations.

7. Event of Default, Termination of Agreement. In the event either party defaults in the performance of any of its obligations under this Agreement, the non-defaulting party shall give the defaulting party written notice of default setting forth with specificity the nature of the event of default. In the event the defaulting party fails to cure such event of default within thirty days from receipt of the notice of default, the non-defaulting party shall have the right, as of the thirty-first day from the receipt of the notice to default to terminate this Agreement and pursue all other remedies available to the non-defaulting party, either at law or in equity. If the performance of this Agreement or any obligation hereunder, is interfered with by reason of any circumstances beyond the reasonable control of the parties, including without limitation, fire, explosion, riots, civil unrest, power failures, injunctions, or acts of God, then the party affected shall be excused from such performance on a day-to-day basis to the extent of such interference, provided the party so affected shall use reasonable efforts to remove such causes of no-performance. In the event any governmental tariff or regulation prevents Evercom from providing services, or such tariffs or regulations make continuation of this agreement impractical for economic reasons or otherwise, then Evercom, at its sole discretion, may terminate this Agreement without liability upon thirty (30) days written notice.

In the event of a termination of this Agreement for any reason, the Customer agrees to allow Evercom access to the facility in order to remove the Equipment. Evercom agrees to remove the Equipment within thirty days after termination of this Agreement. Upon termination of the contract, Evercom agrees to work with the Customer to coordinate removal of old Equipment to occur simultaneously or in cooperation with the installation of new Equipment.

8. Authority. Each party to this Agreement warrants and represents that they have the unrestricted right and requisite authority to enter into and execute this Agreement, to bind the respective party, and to authorize the installation and operation of the Equipment.

9. Notices. Any notice or demand under the terms of this Agreement or under any statute made by either party shall be in writing and shall be given or made by mail, postage prepaid, addressed to the respective party as listed on the first page of this agreement.

10. Miscellaneous.

A. This Agreement shall be construed under and is enforceable under the laws of the state of Illinois, and the parties agree that venue and jurisdiction are in the Circuit Court of the Sixth Judicial Circuit, Champaign County, Illinois.

B. No waiver by either party of any event of default under this Agreement shall operate as a waiver of any subsequent default under the terms of this Agreement.

C. If any provision of this Agreement is held to be invalid or unenforceable, the validity or enforceability of the other provisions shall remain unaffected.

D. This Agreement shall be binding upon and inure to the benefit of Evercom and the Customer, and their respective successors and assigns.

E. *This Agreement may be executed in counterparts, each of which shall be fully effective as an original, and all of which together shall constitute one and the same instrument. This Agreement constitutes the entire Agreement of the parties. The rights and obligations of the parties shall be determined solely from the terms of this Agreement and any prior or contemporaneous oral agreements are superseded by and merged into this Agreement.*

F. Addenda A, B, C and D are hereby incorporated into this Agreement.

G. This Agreement cannot be varied or modified orally and can only be varied or modified by a written instrument

signed by all parties.

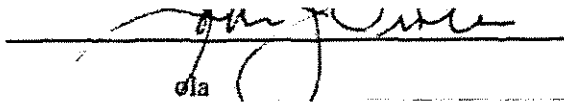
H. Evercom, at its sole cost and expense shall secure the state, county or federal governmental authority licenses required for the provision of services contemplated in this Agreement.

I. During the term of this agreement, the Equipment installed in the facility pursuant to this Agreement shall remain the sole and exclusive property of Evercom. If Evercom is the first party to execute this Agreement, then the Customer shall have until 5:00 p.m. (Central Time) 90 days from the date set forth under Evercom's signature below, to execute and deliver this Agreement to Evercom. If the Customer has not executed and delivered this Agreement to Evercom within the 90 day period, then the offer made by Evercom to enter into this Agreement shall terminate and be null and void after such time. Evercom may also terminate the offer made by this Agreement prior to the end of the 90 day period by written notice to the Customer, unless the Customer has previously signed and delivered this Agreement to Evercom.

EXECUTED as of the date and year signed below:

Evercom Systems, Inc. /

By:



Handwritten signature of John J. Viola over a horizontal line. The signature is written in cursive and includes the name 'John J. Viola'.

Name: John J. Viola

Title: Vice President-Sales and Marketing

Date: 1-17-03

Customer

By:

Name: Patricia Avery

Title: Champaign County Boar Chair

Date: December 31,
2002

ADDENDUM "A" TO THE CHAMPAIGN CO. INMATE PHONE CONTRACT

Evercom Systems, Inc. will charge the following rates for "collect calls" from the Champaign Co. Jail and from the Champaign Co. Jail Satellite Facility. All of the fees charged are approved by the Illinois Commerce Commission and the Federal Communications Commission as applicable.

Local: \$2.88 surcharge and .2446 1st minute; .2159 each additional minute.

Intra-lata: \$2.88 surcharge and .2446 1st minute; .2159 each additional minute.

Inter-lata: \$2.88 surcharge and .2446 1st minute; .2159 each additional minute.

Interstate: \$3.95 surcharge and .89 per minute.

ADDENDUM "B" TO THE CHAMPAIGN CO. INMATE PHONE CONTRACT

The time limit for each phone call will be limited to 15 minutes per the request of the Champaign County Sheriffs Office Correctional Staff. Said time limit can be changed as needed. The time limit can be set to different times for each individual phone if needed.

The two primary technicians that will come on-site to install the Inmate Phone System and any of the Public Coin Phones both live in the Springfield, IL Metro Area. A back up On-Site Technician lives in Naperville.

Most repairs that will probably be needed are software related and can be handled remotely. Inside Technicians will be available for support 24 hours a day, 7 days a week, 365 days per year. That number is (866) 558-2323, access code #6110.

Customer service representatives will also be on duty 24 hours per day, 7 days per week, 365 days per year to handle any and all requests from persons wishing to accept calls from the Champaign County facilities. That number is (800) 844-6591.

ADDENDUM "C" TO THE CHAMPAIGN CO. INMATE PHONE CONTRACT

Each time an inmate at the Champaign Co. Jail or Satellite Facility attempts to place a call, they will get a recorded voice prompt that will give them instructions on how place the call. Included in the message will be instructions on how to select their instructions in English or Spanish or any other available language. It will instruct them on how to state their name, dial the number of the person they wish to speak with and to wait while their attempted call is processed. If PIN numbers are used it will instruct them to dial that number also. Once the Validation process is finished it will instruct them of the status of their call: refused, not a valid number, etc. If the call is allowed to proceed, they will not be allowed to speak to the receiving party until the receiving party has positively accepted the call.

The Champaign County Sheriff's Office will be allowed to help author a script for the Voice Prompts that the Attempted/Receiving Party will hear prior to acceptance of the call. The basic script for the receiving party will include how to: receive their instructions in English or Spanish or any other language available, how to accept the call, how to refuse the call, how to permanently block their number, how to report a harassing call, what the cost of the call is prior to acceptance and they will be given a number to call if they have any questions about what the cost of the call was and any other questions or problems they may have. The Champaign County Sheriff's Office will be allowed to give final approval of the verbiage of the voice prompts prior to the service beginning.

First prompt: For English Press One or For Spanish Press Two.

Next: Enter the number you wish to call now.

After Entry of the Number: State your name after the beep.

If it is a pre-paid call they will be prompted to enter their prepaid number now.

After the call is validated and the call proceeds the call recipient will hear:

"Hello, this is a collect call from (inmates recorded name,) an inmate at the Champaign County Jail. If you accept this call, it will cost SXXX. To accept this call and the charges, press three. To refuse the call, press five or hang up now. To block your number from receiving calls from this facility, press six. Are you sure you want to permanently block your number from this facility, if so please press six again. After they accept the call they will receive a prompt with our number and tell them Thank you for using Evercom Systems, Inc.

If it is a prepaid call the call recipient will be informed they have prepaid call from the Champaign County Jail.

ADDENDUM "D" TO THE CHAMPAIGN CO. INMATE PHONE CONTRACT

Evercom Systems will provide Champaign Co. IL a CAM System (Correctional Application Manager System) with the most current version of the software and technical capabilities. For a more full and complete listing of the Technical Capabilities of the CAM System, please refer to the Evercom Systems, Inc. Bid for the Champaign Co. IL Inmate Phone System RFP. Below is a listing of Technical Features that will be included on the Champaign Co. IL Inmate Phone System:

Unlimited Call Blocking.

Call Reporting. Reports that are available will include: calls by time of day, calls by date, calls by originating number in the jail, calls to the destination number, calls by length, calls by PIN, call attempts that were blocked, call attempts that were determined to be 3-way attempts, calls that were refused, cell block summary, individual phone summary, most frequently called number, numbers called by multiple inmates, graphic display of phone usage, details of in-state and out-of-state calls, etc.

Custom Call Reporting that will allow for the retrieval of call information where complete information isn't known, i.e. area code, originating phone, date, etc.

Recording of Inmate Phone Calls. What calls are actually recorded can be programmed by Champaign County. Likewise, privileged calls will not be recorded.

Monitoring of calls. The calls that are actually monitored will be determined by Champaign County.

Remote Monitoring. The use of this feature will be determined by Champaign County.

ECHO, which will allow the facility to build a library of words to search for, i.e. "Shoot", "Marijuana", "Kill", etc.

Call Alert, which will allow the facility to be alerted when there is an attempt to a number that the facility has pre-programmed to be watched.

3-Way call detection.

Security levels to allow different users to access different functions of the system.

Set On or Off times system wide, by group or individual phone.

Pre-paid calling options.

PIN (Personal Identification Numbers) or PAN (Personal Allowed Numbers) numbers.

ACORD. CERTIFICATE OF LIABILITY INSURANCE

DA 7 YY

PRODUCER
MCGRIFF, SEIBELS &
WILLIAMS OF DALLAS

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

5949 SHERRY LANE SUITE 1300
Dallas, TX 752256532

COMPANIES AFFORDING COVERAGE
COMPANY (214) 459-1210

A GREAT NORTHERN INSURANCE
INSURED COMPANY Evercom Systems, Inc.

B FEDERAL INSURANCE COMPANY
8201 Tristar Drive
Irving, TX 75063

C COMPANY

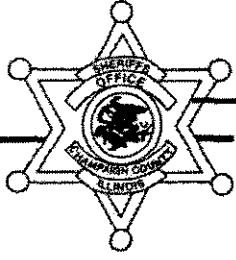
COVERAGES
INDICATED. NOT WITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

TYPE OF INSURANCE	POUCY NUMBER	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A GENERAL LIABILITY COMMERCIAL GENERAL LIABILITY CLAIMS MADE x OCCUR OWNER'S & CONTRACTOR'S PROT	35785532 1	1/30/02 1/30/03	GENERAL AGGREGATE \$ 2,000,000 PRODUCTS-COMP/OP AGG \$ 2,000,000 PERSONAL & ADV INJURY * 1,000,000 JEACH OCCURRENCE * 1,000,000 FIRE DAMAGE (Any one fire) \$ JMED EXP (Any one person) 10,000
AUTOMOBILE LIABILITY ANY AUTO ALL OWNED AUTOS SCHEDULED AUTOS HIRED AUTOS OWNED AUTOS	73517048 73517049 73517050 73517051 NON-	1/30/02 1/30/02 1/30/02 1/30/02	1/30/03 1/30/03 1/30/03 1/30/03
			COMBINED SINGLE LIMIT \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE \$
GARAGE LIABILITY ANY AUTO			AUTO ONLY - EA ACCIDENT OTHER THAN AUTO ONLY: EACH ACCIDENT \$ AGGREGATE \$
EXCESS LIABILITY UMBRELLA FORM OTHER THAN UMBRELLA FORM			EACH OCCURRENCE \$ AGGREGATE \$ \$
B WORKERS COMPENSATION AND EMPLOYERS' LIABILITY THE PROPRIETOR/ PARTNERS/EXECUTIVE OFFICERS ARE: <input checked="" type="checkbox"/> INCL <input type="checkbox"/> EXCL	71708216	1/30/02 1/30/03	IWC STATU-X I TORY LIMITS EL EACH ACCIDENT \$ 1,000,000 EL DISEASE-POLICY LIMIT \$ 1,000,000 EL DISEASE-EA EMPLOYEE * 1,000,000
B OTHER Automobile Comp. & Cell	73517048, 73517049 73517050, 73517051	1/30/02 1/30/03	Deductible - \$500

CERTIFICATE HOLDER
Champaign County Sheriff's Office

204 E. Main St.

CANCELLATION
SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT,
BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.



SHERIFF DAN WALSH
CHAMPAIGN COUNTY SHERIFF'S OFFICE

204 E. Main Street
Urbana, Illinois 61801-2702
(217) 384-1204

Dan Walsh

Sheriff

ph (217)384-1205

fax (217)384-3023

Capt. Walt Wolfe

ph (217)384-1222

fax (217)384-1219

Capt. Jim Reifsteck

ph (217) 384-1216

fax (217)384-1219

Capt. Jim Young

ph (217)384-1223

fax (217)384-0435

Jail

Downtown

ph (217)384-1240

fax (217)384-0435

Satellite

ph (217)384-1243

fax (217)384-1272

Investigations

ph (217)384-1213 fax

(217)384-1219

Civil Process

ph (217) 384-1204 fax

(217)384-1219

Records/Warrants

ph (217)384-1233 fax

(217)384-0435

March 14, 2003

Evercom Systems, Inc.
8201 Tristar Drive
Irving, Texas 75063

RE: Inmate Pay Telephone Agreement
Champaign County Sheriffs Office

Dear Sir,

Effective immediately, I would like to request that you forward all commission checks and back up documentation to the following address:

Ms. Evelyn Boatz
Administrative Services
Brookens Administrative Center
1776 E. Washington, Urbana, IL 61802

Should you have any questions, I can be reached at 217-3 84-1205.

Thank you.

Sincerely,

Dan Walsh
Sheriff

DJW:tss

xc: Michael Stannard
Evelyn Boatz

ACORD^A

CERTIFICATE OF INSURANCE

ISSUE DATE

PRODUCER
MCGRIFF, SEIBELS & WILLIAMS OF
TEXAS INC. 949 Sherry Lane Suite 1300

This certificate is issued as a matter of information only and confers no rights upon the Certificate Holder. This Certificate does not amend, extend or alter the coverage afforded by the policies below.

COMPANIES AFFORDING COVERAGE

Federal Insurance Company

Company C

Company D

Company E

This is to certify that the policies of insurance described herein have been issued to the Insured named herein for the policy period indicated. Notwithstanding any requirement, term or condition of contract or other document with respect to which this certificate may be issued or may pertain, the insurance afforded by the policies described herein is subject to all the terms, conditions and exclusions of such policies. Limits shown may have been reduced by paid claims.

CO LT	TYPE OF INSURANCE	POLICY NUMBER	EFFECTIVE EXPIRATION	LIMITS OF LIABILITY	
A	GENERAL LIABILITY	35785532	01/30/2004	EACH OCCURRENCE	\$ 1,000,000
				FIRE DAMAGE	included
				MEDICAL EXPENSE	\$ 10,000
				PERS. AND ADVERTISING INJURY	\$ 1,000,000
				GENERAL AGGREGATE	\$ 2,000,000
				PRODUCTS AND COMP. OPER. AGG.	\$ 2,000,000
B	AUTOMOBILE LIABILITY	73517049/OS	01/30/2004	COMBINED SINGLE LIMIT	\$ 1,000,000
				BODILY INJURY (Per person)	
				BODILY INJURY (Per accident)	
				PROPERTY DAMAGE (Per accident)	
				COMPREHENSIVE	\$500 deductible
B	WORKERS' COMPENSATION	71708216	01/30/2004	WC Statutory Limit x Other	
				EL EACH ACCIDENT	\$ 1,000,000
				EL DISEASE (Each employee)	\$ 1,000,000
				EL DISEASE (Policy Limit)	\$ 1,000,000
	EXCESS LIABILITY			EACH OCCURRENCE	
				AGGREGATE	

As required by written contract, certificate holder shall be shown as Additional Insured under the above referenced General Liability with respect to the insured's operations during the policy period referenced above.

Certificate Holder

Champaign County Sheriff's Office
204 E. Main St.
Urbana, IL 61801

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT A FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE ISSUER, COMPANY, ITS AGENTS OR REPRESENTATIVES.

Authorized Representative

EVERCOM

Signing Bonus Addendum to Facility Inmate Services Agreement

This Signing Bonus Addendum to Facility Inmate Services Agreement (this "Addendum") is made as of March 20, 2004 (the "Addendum Effective Date") and is attached to, and made a part of, that certain Inmate Pay Telephone Agreement dated as of February 1, 2003 (as amended and assigned, the "Agreement") between County of Champaign ("Customer") and Evercom Systems, Inc. ("Evercom"). The terms and conditions of the Agreement are incorporated in this Addendum by reference. Any capitalized term used herein, but not defined, shall have the meaning set forth in the Agreement.

In consideration of the mutual covenants, representations, promises, obligations and other valuable consideration, the receipt and adequacy of which is hereby acknowledged, the parties agree as follows:

1. Signing Bonus. Within 30 days after the Addendum Effective Date, Evercom shall pay to Customer a signing bonus in an amount equal to \$10,000. If the Agreement is terminated for any reason prior to the end of the Initial Term, then Customer shall refund to Evercom an amount equal to the signing bonus times a fraction, the numerator of which is the number of months between the date of termination and the end of the Initial Term, and the denominator of which is the number of months in the Initial Term plus interest on the prorated amount in the amount of the lower of (a) 15% per annum and (b) the maximum rate allowed by law. Customer shall pay any such refund within ten days after any such termination, or at Evercom's election, Evercom may deduct the refund from any Commissions owed to Customer.

2. Ratification and Entirety. Except as provided in this Addendum, all the terms and conditions of the Agreement are hereby ratified and shall remain in full force and effect. This Addendum and the Agreement, together with all supplements, exhibits and schedules thereto, shall embody the final, entire agreement among the parties hereto and supersede any and all prior commitments, agreements, representations and understandings, whether written or oral, relating to the Agreement or this Addendum, and may not be contradicted or varied by evidence of the prior, contemporaneous, or subsequent oral agreements between the parties hereto.

IN WITNESS WHEREOF, the parties have caused this Addendum to be executed as of the Addendum Effective Date by their duly authorized representatives.

CUSTOMER:

EVERCOM:

County of Champaign

Evercom Systems, Inc

By: _____

By: _____

Name: Denny Inman

Name:

Title: Co-Administrator

Title:

*Returned
3/16/04
3/3*