

CHAMPAIGN COUNTY BOARD
COMMITTEE MINUTES

FINANCE COMMITTEE MINUTES

Thursday, June 9, 2005

Meeting Rm. 1, Brookens Administrative Center

1776 E. Washington St., Urbana

7:00 p.m.

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

MEMBERS ABSENT: None

OTHERS PRESENT: Deb Busey (County Administrator), Denny Inman (County Administrator), Curt Deedrich (Supervisor of Assessments), Joel Fletcher (Office of the State's Attorney), Michael Frerichs (Auditor), Susan McGrath (Office of the State's Attorney), Steve Moser (County Board Member), Jon Schroeder (County Board Member), Carl Drake, Tim Odom

CALL TO ORDER

Chair McGinty called the meeting to order at 7:00 p.m. The Recording Secretary called the roll. 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 O'Connor. Motion carried.

APPROVAL OF MINUTES

MOTION by Wysocki to approve the regular session minutes of May 5, 2005 and May 16, 2005; seconded by Betz. Motion carried.

PUBLIC PARTICIPATION

There were two people for public participation.

Tom Odom spoke on volunteers being used in departments throughout the Courthouse and wanted a County Board member to speak with him about controlling the volunteers. Avery said Betz should be the one to address this situation, since he is the Chair of the Policy, Personnel, & Appointments Committee. Busey explained three of the offices at the Courthouse are administered by elected officials, meaning the County Board has no authority over those offices. The utilization of volunteers by elected officials is at their own discretion in offices such as the State's Attorney, the Sheriff, the Circuit Clerk, and the Presiding Judge. Fletcher reiterated that the County Board has no authority over the personnel policies for volunteers in the offices of elected officials.

Susan McGrath introduced herself as the new attorney in the Civil Division of the Office of the State's Attorney. She was a County Board member from 1978-1994 and has practiced law in the local area. She looks forward to working with the current County Board and thanked the members for the opportunity to serve them.

BUDGET AMENDMENT/TRANSFERS

MOTION by Tapley to recommend to the County Board approval of Budget Amendment #05-00035 from Recorder's Automation Fund – Recorder; seconded by Betz. Motion carried.

MOTION by Tapley to recommend to the County Board approval of Budget Amendment #05-00057 from General Corporate – State's Attorney; seconded by Gross. Tapley asked why a budget amendment was necessary for this item. Busey explained only the salaries of the staff are budgeted and in December two long-time staff members left who had accrued hundreds of hours of vacation time that had to be paid out. Motion carried.

MOTION by Tapley to recommend to the County Board approval of Budget Transfer #05-00014 from Domestic Violence Prosecution – State's Attorney; seconded by Wysocki. Motion carried.

TREASURER **Monthly Report**

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

AUDITOR **Purchases Not Following Purchasing Policy**

This report was provided for information only.

Monthly Report

MOTION by Betz to receive and place on file the Auditor's monthly report; seconded by Tapley. Motion carried. Frerichs stated his office has completed the annual comprehensive financial report. The report was passed out to committee members.

Report of the Outside Auditor

Carl Drake from the accounting firm of Bray, Drake, Lilies, & Richardson was present. His firm conducted the outside audit. Drake announced the County got an unqualified opinion, which is the type they wanted. There were no particular problems during the audit. On the single audit section of the federal audit, there were no findings or questioned costs. There was a scheduled called findings and questioned costs in the single audit section. This is on the general county, not on federal. The item can be viewed on page 271 of the report. It is a repeated, reportable condition from last year in regard to the Correctional Center's bond receipts. On the bond receipts, there is no pre-numbering system. It is done in a type of Word file and there no way to test the initial receipt of bonds. Drake's firm discussed this issue with the Sheriff and one of his lieutenants. Drake was told it was felt that upgrading the software to enable pre-numbering was cost prohibitive. Drake advised spending the money to upgrade the software to have some control over the initial receipt of bonds at the Correctional Center.

Drake encouraged the committee to read the general audit section entitled "Management's Discussion and Analysis" that provides a great deal of useful information. This section is located just after the opinion in the report and is prepared by Frerichs. Drake also recommended reading the footnotes. Drake thanked the Auditor's Office and Carol Wadleigh in particular for the support in preparing the report. Committee members can call Drake or Wadleigh with further questions. The committee discussed other counties and the type of financial reports they produce. Tapley asked about the \$500,000 transfer to the Public Safety Sales Tax Fund. Busey explained the \$500,000 was the contribution from Courts Automation and Courts Document Storage to the Technology Project.

Frerichs thanked Drake and Wadleigh for their hours of work. Frerichs stated the County saves money by having someone on staff like Wadleigh, who capable of doing the work in-house, instead of hiring an outside contractor. Drake seconded Frerichs's opinion and commented the audit would cost twice as much if the County had to employ an outside audit firm to complete the work Wadleigh currently does.

Frerichs encouraged the new committee members to read the report in its entirety. The report also will serve as a great resource. Frerichs and his staff are available for any questions members might have in the future.

CHIEF COUNTY ASSESSMENT OFFICER

Request to Send Proposed New Position – Senior Clerk – to Job Content Evaluation Committee

Deedrich said he envisions a new position of Senior Clerk to help organize the exemptions in the County. At a later time, Deedrich will compile a more through description. He stated his office has not had any increase in staff in ten years and monitoring the exemptions takes a lot of concentration, thereby warranting a position. The committee discussed the request before them, which is only to define the position. The actual request for this position should come with the Supervisor of Assessment's FY2006 budget request as a program change request to the budget. The committee will decide at a later date if the position should be added to the department.

MOTION by Betz to send the proposed new position of Senior Clerk to the Job Content Evaluation Committee; seconded by Avery. Tapley asked if there was a problem with the accuracy of information for homestead properties at the present time, because Deedrich listed the improvement of the accuracy of information as a reason for the position. Deedrich stated his staff sometimes struggles to keep up with all of their work. At times, his office is three months behind with logging information in for the Department of Revenue for sales declarations. Tapley thought the work flow in the Supervisor of Assessments' Office was fairly seasonal. Deedrich confirmed the workload in his office is seasonal, but there is a backlog of work from one season to the next. He thinks his office is covering all the bases, but there are times when he is not certain they are doing that fully. Further discussion was held over the staffing situation in the Supervisor of Assessments' Office.

Motion carried with one no vote.

Request to Submit Appraiser/Analyst Position to Job Content Evaluation Committee for Re-evaluation

Deedrich stated this request is for a position reclassification from the current position of Appraiser/Analyst to the requested position of GO Database Coordinator. With the advent of the GIS System and the ability to tie information to parcels, Deedrich has a goal to provide information to assessors in their areas of concern and how they compare throughout the County, so assessments are more uniform. The position requires someone with database skills and familiarity with the current GIS environment. Tapley was under the impression that the hundreds of thousands of dollars spent on the GIS System was not going to mean departments would have to hire additional staff. Busey explained this request is taking an existing staff position and assigning new responsibilities to it. The Supervisor of Assessments' Office will experience a change in how they operate due to the GIS technology. The Finance Committee is deciding whether to send the position to the Job Content Evaluation Subcommittee to make sure the change in assignment of duties has not created a need for the position's classification to change. This is not adding a new position.

MOTION by Avery to submit Appraiser/Analyst position to Job Content Evaluation Committee for re-evaluation; seconded by Betz. Motion carried with one no vote.

COUNTY ADMINISTRATOR

General Corporate Fund FY2005 Revenue/Expenditure Projection Report

Busey reported the revenue projection looks healthy at \$966,623 more than budgeted. But Busey pointed out that the Business Licenses & Permits line shows it should achieve \$464,000 more revenue than budgeted. The Inheritance Tax revenue line should achieve \$465,000 more than budgeted. These two lines combined are \$930,000 of the \$966,623 and both are effectively one-time revenue sources, so next year's budget cannot be budgeted at those revenue levels. Other than those lines, revenue is fairly balanced and coming in close to the projections. There have been downturns in a few revenue streams (two noted losses are in Miscellaneous Revenue due to the loss of all inmate phone revenue and Local Government Revenue due to the end of the fringe development agreement with the City of Champaign). On the expenditure side, Busey reported it appears the budget will be under spent by \$104,549 or less than a half a percent. Areas of issue that will need to be addressed in the FY2006 Budget include: Overtime for the Sheriff's Office, Postage, and Gas & Electric Service. Each of these lines will have to be budgeted at increased amounts in the FY2006 Budget.

In overview, the current budget shows a \$240,000 deficit on paper. Based on projections, the current fiscal year could end with an \$831,910 surplus. This is mainly attributable to one-time revenue streams. Busey answered the committee's questions about the report.

General Corporate Fund Budget Change Report

Busey stated 3.86% has been added in expenditure and 2.97% has been added in revenue to the budget. This is why a deficit is shown in the budget, since more expenditure has been added than revenue throughout the year. Busey answered questions regarding how adjustments in the report reflect adjustments to the budget throughout the year.

Distribution of Public Health Levy for Real Estate Year 2004, Collected in FY2005

This item was provided for information only. Slightly more money will be distributed to CUPHD than was budgeted and slight less will be available to the County Board of Health than what was indicated in the budget.

Discussion Regarding Real Estate Taxes for Carle Foundation Hospital for Real Estate Year 2004, paid under protest, for County Board Levies

Busey explained the County Treasurer has provided every taxing body in the County with a letter letting them know how much of the tax being distributed to them was paid under protest by Carle Foundation Hospital and is under appeal. If Carle Foundation Hospital wins its appeal, the taxing bodies would have to pay back the collected tax money. Busey is making the Finance Committee aware of the situation in case they would like to issue direction concerning the County's levies. Tapley suggested the funds that would be affected should earmark the money so it is not spent if Carle wins the appeal. He also thought it would be useful for someone to quantify the potential hit to the special levies, like the Nursing Home bonds. If money is being collected from Carle, then less money is collected from others to meet a fixed bond payment. The County cannot later demand more money for the bonds from the others being taxed just because Carle's money had to be refunded. Busey suggested getting a legal opinion on managing the bond issue. Fletcher said he will have to talk with Kurt Froehlich concerning this issue. The committee continued to discuss the levy matter.

Moody's Rating Agency Report for Champaign County 2005 Rating

This item was provided for information only. The rating was positive.

Update on 2005 Bond Refinancing

This item was provided for information only. Tapley commented the refinancing was a good thing to do and saved the County money.

Closed Session pursuant to 5 ILCS120/2(c)2 concerning salary schedules for one or more classes of employees

MOTION by Betz to enter into closed session pursuant to 5ILCS 120/2(c)2 to consider salary schedules for one or more classes of employees. He further moved that the following individuals remain: Recording Secretary, elected officials, County Administrators, and the County's legal counsel. Motion seconded by Wysocki. Motion carried. The Recording Secretary called the roll. Closed session was declared at 7:46 p.m.

The committee resumed in open session at 7:56 p.m.

Salary Administration Recommendation for Non-Bargaining Employees for FY2006

MOTION by Betz to approve the County Administrator's salary administration recommendation for non-bargaining employees for FY2006; seconded by Tapley. Motion carried.

CHAIR'S REPORT

Closed Session pursuant to 5 ILCS 120/2(c)11 to consider litigation which is probable or imminent against Champaign County

MOTION by Betz to enter into closed session pursuant to 5ILCS 120/2(c)(11) to consider litigation, which is imminent against Champaign County, because the County has received a request for settlement authority from its agent Citizens Management, Inc. He further moved that the following individuals remain present: Recording Secretary, County Administrators, and the County's legal counsel. Motion seconded by Wysocki. Motion carried. The Recording Secretary called the roll. Closed session was declared at 7:59 p.m.

The committee resumed in open session at 8:11 p.m.

OTHER BUSINESS

Busey informed the Finance Committee that the Facilities Committee approved some remodeling in the Brookens Building for some office moves and creation of three exterior smoking areas (two at Brookens, one at the Courthouse) at their June 7th meeting. The expense has been documented in Budget Amendment #05-00059 as an amendment to the Public Properties Budget in FY2005. This budget amendment could not be created in time for the Finance Committee agenda because any addendum must be noticed forty-eight hours prior to a meeting. With the Finance Committee's consensus, Budget Amendment #05-00059 will be presented as an emergency budget amendment at the June 23rd County Board meeting. Inman explained the location of the smoking areas. The Finance Committee members had no objection to the budget amendment.

McGinty had an item for other business on an information only basis. He stated Bensyl had come to him with suggestions about the County's insurance situation. Bensyl passed out packets of material to the committee. Bensyl stated he had been concerned about the County's insurance situation. He has spoken with Busey and Debbie Chow. Bensyl would like the County to become proactive on insurance matters and has done some research to this end. The committee can read the material and contact Bensyl with any questions. The committee might discuss forming a subcommittee to further explore this issue at the August meeting.

DESIGNATION OF ITEMS TO BE PLACED ON COUNTY BOARD CONSENT AGENDA

The Chair designated all budget amendments, the budget transfer, and the salary administration recommendation for non-bargaining employees for FY2006 for the Consent Agenda.

ADJOURNMENT

Meeting was adjourned at 8:25 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.