

CHAMPAIGN COUNTY BOARD
COMMITTEE MINUTES

FINANCE COMMITTEE

Thursday, April 6, 2006

**Lyle Shields Meeting Room, Brookens Administrative Center
1776 E. Washington St., Urbana**

7:00 p.m.

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

MEMBERS ABSENT: None

OTHERS PRESENT: Deb Busey (County Administrator of Finance & HR Management), Andrew Buffenbarger (Nursing Home Administrator), Michael Frerichs (Auditor), Susan McGrath (Office of the State's Attorney), Dan Welch (Treasurer), Karl Drake

CALL TO ORDER

Chair McGinty called the meeting to order at 7:03 p.m.

ROLL CALL

The Recording Secretary called the roll. Avery, Bensyl, Betz, Doenitz, Gross, McGinty, O'Connor, Tapley, and Wysocki were present. The Chair declared a quorum and proceeded with the meeting.

APPROVAL OF AGENDA/ADDENDUM

MOTION by Betz to approve the agenda and addendum; seconded by Doenitz. Motion carried.

APPROVAL OF MINUTES

MOTION by Bensyl to approve the Finance Committee regular session minutes of February 9, 2006 and March 9, 2006; seconded by Betz. Motion carried.

PUBLIC PARTICIPATION

There was no one for public participation.

OUTSIDE AUDITOR PROGRESS REPORT ON 2005 AUDIT

Karl Drake, from Bray, Drake, Liles, & Richardson LLP, provided the report on the progress of the outside audit for FY2005. The audit has not been completed. Busey, Drake, and Carol Wadleigh of the Auditor's Office have discussed revising the timetable currently used after this audit is finished. An unqualified opinion is expected. Drake encouraged the County Board members to read the management's discussion and analysis and the footnotes when they receive the audit. There has been a problem with getting timely response from some of the offices regarding federal expenditures. This delay has prevented the federal single audit work from being completed. Drake will not make further comments until the entire audit is finished, but there have

been no serious problems. Wadleigh told Drake the financial statement will likely be completed by the end of April. The audit must be at GFOA by May 31st in order to receive the certificate of achievement. Drake thanked the Auditor's Office, particularly Wadleigh, for their help. Drake stated that Wadleigh saves the County a great deal of time and money with her work on the audit.

Tapley asked how the recommendation regarding assignment of payroll administration was resolved at the Policy, Personnel, & Appointments Committee meeting. Busey stated that issue was deferred to the May meeting because documents were presented to the Policy, Personnel, & Appointments Committee at the meeting and they wanted time to consider the matter.

BUDGET AMENDMENTS/TRANSFERS

Budget Amendment #06-00043

MOTION by Tapley to recommend to the County Board approval of Budget Amendment #06-00043 from Fund 679 Children's Advocacy Center – Department 179 Children's Advocacy Center for increased appropriations of \$4,020 for the Furnishings, Office Equipment line with increased revenue of \$4,020 from the Justice-Victims Child Abuse Act line; seconded by Doenitz. Motion carried.

Budget Amendment #06-00044

MOTION by Gross to recommend to the County Board approval of Budget Amendment #06-00044 from Fund 091 Animal Control – Department 047 Animal Control for increased appropriations of \$13,250 for the Gas Service line with no increased revenue; seconded by Wysocki.

Doenitz asked how the estimated cost of gas service could be \$13,250 off the actual cost for 2005/2006. Busey explained the building that now houses the Animal Control department had not previously been occupied for this type of use; therefore, the utilities estimation could not be precise. Utilities costs have also increased substantially. O'Connor inquired about Animal Control's fund balance because the amendment listed no increased revenue for the expenditure. Busey explained Animal Control is a self-sufficient fund with a healthy fund balance. There was no increased revenue to correspond to this particular expenditure, but there are sufficient funds within the Animal Control fund balance. Animal Control's revenues are meeting their expenditures.

Motion carried with one no vote from O'Connor.

Budget Amendment #06-00045

MOTION by Tapley to recommend to the County Board approval of Budget Amendment #06-00045 from Fund 628 Election Assistance/Accessibility – Department 022 County Clerk for increased appropriations of \$219 for the Regular Full-Time Employees line with no increased revenue; seconded by Gross. Motion carried.

Budget Amendment #06-00046

MOTION by Tapley to recommend to the County Board approval of Budget Amendment #06-00046 from Fund 080 General Corporate – Department 075 General County for increased appropriations of \$500,000 for the Transfer to Nursing Home Fund line item with no increased revenue; seconded by Bensyl.

Tapley asked if this amendment would bring the total amount given to the Nursing Home from the General Corporate Fund to \$900,000. Busey stated the estimated Nursing Home deficit for the year is \$958,890.

Busey confirmed the previous \$400,000 loan to the Nursing Home from the General Corporate Fund will not be repaid any time soon. This \$500,000 is not being presented as a loan because there is no anticipation of the ability of the Nursing Home to pay this amount back within the next two-three years. Tapley asked if the committee could make a motion to convert the previous \$400,000 loan to the Nursing Home into a gift. Tapley is concerned that the General Corporate Fund currently reflects the \$400,000 loan as part of the fund balance and he thinks that creates an inaccurate picture of the fund balance. The committee discussed whether to amend Budget Amendment #06-00046 to \$900,000 or to place the issue on next month's agenda. Welch suggested any motion included forgiveness of the loan's interest. The committee decided to have an item placed on the May agenda to forgive the \$400,000 Nursing Home loan.

Motion carried with two no votes from Avery and Doenitz.

Budget Transfer #06-00004

MOTION by Gross to recommend to the County Board approval of Budget Transfer #06-00004 from Fund 081 Nursing Home – Department 430 Nursing Service to transfer \$200,000 to the Contract Nursing Service line from the Regular Full-Time Employees line (\$100,000), the Temporary Salaries & Wages line (\$72,000), and the No-Benefit Full-Time Employees line (\$28,000); seconded by Tapley.

Tapley asked how much was originally budgeted for contract nursing and if it was completely spent. Buffenbarger said that original budget for contract nursing was \$75,000 and it has been spent. Avery asked what is being done to reduce the use of contract nursing. Buffenbarger said the Nursing Home has begun aggressive recruiting tactics to try and hire additional licensed nurses. The tactics included: a direct mailing sent to every licensed nurse within a three-county area (over 2,000 licensed nurses), advertising twice weekly in the *News-Gazette*, and advertising on the radio. The Nursing Home continues to offer a sign-on bonus and excellent wage and benefits package. Buffenbarger will meet with Parkland College to discuss arranging a partnership with its Nursing School.

Motion carried.

ADDENDUM

Budget Amendment #06-00047 and Budget Amendment #06-00048

MOTION by Bensyl to recommend to the County Board approval of Budget Amendment #06-00047 from Fund 850 Geographic Information System Joint Venture – Department 672 Aerial Photography Project for increased appropriations of \$10,000 to the Professional Services line with no increased revenue; seconded by Wysocki.

Tapley asked for an explanation of Budget Amendment #06-00047 and Budget Amendment #06-00048. Tapley wanted to know how professional services contract payments could be greater than originally anticipated. No one from the Regional Planning Commission was present to answer the question.

MOTION by Betz to defer Budget Amendment #06-00047 and Budget Amendment #06-00048 until the committee's questions about the amendments could be answered; seconded by Tapley. Motion carried.

The committee agreed if Budget Amendment #06-00047 and Budget Amendment #06-00048 constitute an emergency situation, then a special Finance Committee meeting could be held before the April County Board meeting.

COUNTY ADMINISTRATOR

General Corporate Fund FY2006 Revenue/Expenditure Projection Report

Busey distributed the General Corporate Fund FY2006 Revenue/Expenditure Report and information to help explain the Nursing Home Fund to the committee. Busey reported revenues are coming in stably. Recording Fees remain strong. The 1% Sales Tax revenue is slightly behind where it was last year. Local Government and General Government Fee & Fines revenues are lagging compared to the budget. Revenue is currently anticipated to come in about \$550,000 more than budgeted. On the expenditure side, the budget has increased substantially, in part because of the \$758,957 amendment approved at last month's meeting to appropriate monies to General Corporate Fund as a one-time expenditure for the Tort Immunity Fund. Busey anticipated the expenditure budget will end with spending 99% of the budget, based on the current figures. The County has typically ended with spending 96% to 97.5% of total expenditure. At the current budgeted amounts, the County would have a \$1.2 million deficit this year. At the projected amounts, the County would have a \$452,000 deficit this year, which includes the \$758,957 appropriated as a one-time expense.

Tapley objected to categorizing the \$758,957 appropriation to Tort Immunity as a one-time expense because the appropriation only enables the fund balance to be at zero. Busey stated if the County can give priority to Tort Immunity in the property tax levy next year to enable the tax revenue to match the expenditure, then it would be a one-time expense.

General Corporate Fund Budget Change Report

Busey distributed the General Corporate Fund Budget Change Report to the committee. The expenditures budget has increased from \$28,473,601 to \$29,629,465, an increase of 4.06%. The revenue budget has increased from \$28,253,283 to \$28,363,800, an increase of 0.39%. Busey also provided two bar graphs: the General Corporate Fund balance as a percentage of the budget and the General Corporate Fund annual beginning fund balance in terms of dollars.

TREASURER

Monthly Report

Welch's report was distributed to the committee. Welch referred the committee to the pages of his report where the Animal Control and RPC balances were located to give them a better perspective on the budget amendments. Welch reported the real estate tax bills should be mailed on May 1st. This would make Champaign County one of the very few Illinois counties to have its tax bills mailed by such an early date.

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

AUDITOR

Purchases Not Following Purchasing Policy

Frerichs distributed the list of purchases not following the purchasing policy for information only. All items on the list were FY2005 expenditures paid in FY2006.

Monthly Report

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

CHAIR'S REPORT

There was no Chair's Report.

OTHER BUSINESS

There was no Other Business

DESIGNATION OF ITEMS TO BE PLACED ON COUNTY BOARD CONSENT AGENDA

The Chair designated agenda items VII A, C, and E for the consent agenda.

ADJOURNMENT

The Chair adjourned the meeting at 7:32 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.