

CHAMPAIGN COUNTY BOARD
COMMITTEE MINUTES

FINANCE COMMITTEE

Thursday, November 9, 2006

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

7:00 p.m.

MEMBERS PRESENT: Betz, Doenitz, Gross, McGinty (Chair), O'Connor, Tapley, Wysocki

MEMBERS ABSENT: Avery, Bensyl

OTHERS PRESENT: Deb Busey (County Administrator of Finance & HR Management), Michael Frerichs (Auditor), Denny Inman (County Administrator of Facilities & Procurement), Susan McGrath (Senior Assistant State's Attorney), Tiffany Talbott (Recording Secretary), Dan Welch (Treasurer)

CALL TO ORDER

Chair McGinty called the meeting to order at 7:00 p.m.

ROLL CALL

The Recording Secretary called the roll. Betz, Doenitz, Gross, McGinty, Tapley, and Wysocki were present at the time of roll call. McGinty declared a quorum and proceeded with the meeting.

APPROVAL OF AGENDA/ADDENDUM

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

APPROVAL OF MINUTES

MOTION by Tapley for an omnibus motion to approve the regular session Finance Committee minutes of October 5, 2006; Performance Appraisal Subcommittee minutes of September 14, 2006; Legislative Budget Hearings minutes of August 28, 2006; Legislative Budget Hearings minutes of August 29, 2006; Budget Process Special Committee minutes of March 9, 2006; Budget Process Special Committee minutes of April 26, 2006 and the Budget Process Special Committee minutes of May 22, 2006. Motion seconded by Doenitz. **Motion carried.**

PUBLIC PARTICIPATION

There was no public participation.

BUDGET AMENDMENTS/TRANSFERS

MOTION by Tapley for an omnibus motion to recommend to the County Board approval of:

Budget Amendment #06-00113 from Fund 076 Tort Immunity Tax Fund – Department 075 General County for increased appropriations of \$45,000 for the Workers' Compensation Insurance line with no increased revenue;

Budget Amendment #06-00114 from Fund 080 General Corporate – Department 043 Emergency Management Agency for increased appropriations of \$1,282 for the Furnishings, Office Equipment line with no increased revenue;

Budget Amendment #06-00115 from Fund 070 Nursing Home Construction Fund – Department 010 County Board for increased appropriations of \$52,459 for the Nursing Home Building Construction/Improvement line with increased revenue of \$4,052,455 from the Sale of General Obligation Bonds line;

Budget Amendment #06-00116 from Fund 080 General Corporate – Department 016 Administrative Services for increased appropriations of \$12,000 for the Postage, UPS, Federal Express line with no increased revenue;

Budget Amendment #06-00117 from Fund 091 Animal Control – Department 047 Animal Control for increased appropriations of \$9,979 for the medical Supplies line with increased revenue of \$9,979 from the Private Grants line;

Budget Amendment #06-00118 from Fund 070 Nursing Home Construction Fund – Department 010 County Board for increased appropriations of \$500,000 for the Nursing Home Building Construction/Improvement line with no increased revenue;

Budget Amendment #06-00119 from Fund 476 Self-Funded Insurance – Department 118 Property/Liability Insurance for increased appropriations of \$11,531 for the Auto Damage/Liability Claims line with increased revenue of \$11,531 from the Other Miscellaneous Revenue line;

Budget Amendment #06-00120 from Fund 476 Self-Funded Insurance – Department 118 Property/Liability Insurance for increased appropriations of \$20,000 for the Attorney Fees line and \$30,090 for the General Liability Claims line with no increased revenue;

Budget Amendment #06-00121 from Fund 476 Self-Funded Insurance – Department 119 Workers' Compensation Insurance for increased appropriations of \$45,000 for the Workers' Compensation Self-Funded Claim line with no increased revenue;

Budget Amendment #06-00122 from Fund 080 General Corporate – Department 071 Public Properties for increased appropriations of \$65,000 for the Gas Service line with no increased revenue;

Budget Transfer #06-00008 from Fund 684 Defense Service ICJIA Grant – Department 036 Public Defender for a transfer of \$264 from the Employee Health/Life Insurance line to the Return Unused Grant line;

Budget Transfer #06-00009 from Fund 080 General Corporate – Department 071 Public Properties for a transfer of \$2,500 from the Regular Part-Time Employees line to the Main Street Jail Repair-Maintenance line and \$2,000 from the Temporary Salaries & Wages line to the Courthouse Repair-Maintenance line;

Budget Amendment #06-00123 (Addendum) from Fund 081 Nursing Home – Department 410 Administrative for increased appropriations of \$275,000 for the Grant Match line with increased revenue of \$275,000 from the Medicaid Title XIX (IPA) line; and

Budget Amendment #06-00124 (Addendum) from Fund 629 Courthouse Museum – Department 010 County Board for increased appropriations of \$30,000 for the Contributions & Grants line with no increased revenue.

Motion seconded by Doenitz.

O'Connor entered the meeting at 7:01 p.m.

Tapley asked, concerning Budget Amendment #06-00113, what was the total amount appropriated for the Tort Immunity Tax Fund this year and if this budget amendment only brings the fund to a zero balance. Busey said yes, in terms of the cash that has been moved through the Tort Immunity Fund. Busey did not have the exact figures with her. Tapley requested those figures be provided at the next County Board meeting. Tapley has been concerned about this fund for several years. Busey said the next year's budget for the fund has been increased based on the average.

Busey stated a corrected version of Budget Amendment #06-00114 was at the committee's desks. This version lists increased revenue equal to the increased appropriation for this amendment. Tapley and Doenitz were willing to consider the change a friendly amendment.

Tapley inquired about Self-Funded Insurance. Busey stated she expects the County to spend approximately \$850,000 in Self-Funded Workers' Compensation this year.

Motion carried as amended.

STATE'S ATTORNEY

Agreement with the State's Attorney's Appellate Prosecutor's Office for FY2007 – Resolution to Designate the Office of the State's Attorney Appellate Prosecutor as Agent and Resolution Authorizing a Litigation Assistance Agreement between the County of Champaign and the Office of the State's Attorney's Appellate Prosecutor

MOTION by Betz to approve the Resolution to Designate the Office of the State's Attorney Appellate Prosecutor as Agent and Resolution Authorizing a Litigation Assistance Agreement between the County of Champaign and the Office of the State's Attorney's Appellate Prosecutor; seconded by Tapley. **Motion carried.**

COUNTY ADMINISTRATOR

General Corporate Fund FY2006 Revenue/Expenditure Projection Report

Busey distributed her reports to the committee. She explained the General Corporate Fund has remained fairly stable for the last few months. She projected the County will receive 102% of budgeted revenue with the budget as it is stated today (105% of the original budget). Champaign County has not received state reimbursements for the months of May and June. The County did receive the state reimbursements for the month of July in October. Busey was not certain if the County will never see reimbursements for May and June because this was the end of the state fiscal year. It is possible the County will not receive all of the state reimbursements originally budgeted. Busey anticipated underspending some expenditures, such as Personnel by close to \$580,000. Some of these savings will be eaten up by additional Overtime and Fringe Benefits costs. Postage and Documents Stamps are expected to cost more than what is currently budgeted. Gas Service continues to cost more than budgeted, there was a budget amendment tonight addressing this matter. Busey projected the County will end FY2006 with a \$1.4 million deficit in the General Corporate Fund, which drops the fund balance to \$3.1 million or about 10%. She reminded the committee that they moved about \$2 million out of the General Corporate Fund into other funds in the form of transfers. Without those transfers, the General Corporate Fund would be seeing its third year in a row of positive revenue growth.

General Corporate Fund Budget Change Report

Busey reported \$3 million in expenditures and about \$782,000 in revenue have been added to the FY2006 Budget. This is a revenue/expenditure difference on paper of \$2.6 million.

County Board Per Diems

Busey noted the subject of County Board per diems was raised earlier this year. She is raising it again because the County Board per diems have not been increased in twenty years. If the per diems were to be increased this month to go into effect on December 1, 2008, the change could be applied unilaterally to all County Board members. No increase can go into effect midterm. The per diems have been set at \$45.00 since 1988 and are not competitive with other counties' rate of compensation for Board members. Busey provided a detailed comparison of the compensation rate in four comparable counties: Sangamon, Peoria, McLean, and Rock Island. The other four counties pay their County Board members a salary instead of a per diem. Busey broke down the salaries into a per meeting cost and compared it with Champaign County's per diem. For example, Sangamon County pays its Board members an annual salary of \$7,093.00 for an average of five meetings per month. This breaks down to \$118.22 per meeting compared with Champaign County's \$45.00 per meeting. Busey also provided a comparison of the annual budget for County Board compensation in the five

counties. Champaign County has the lowest annual budget for County Board compensation even though it has the second highest number of County Board members. Sangamon has 29 Board members with an annual budget of \$205,697 compared to Champaign County's annual budget of \$60,000 for 27 Board members. In 1990, the Champaign County per diem budget was \$68,700. This budget has decreased by 13% without changing the per diem rate because the Board's structure has changed. The changes created efficiencies in the committee structure and reduced the number of meetings Board members attend. Busey recommended the County Board approve a per diem rate of \$100.00 to go into effect on December 1, 2008.

Tapley said he thought an annual salary for Board members makes more sense. He hesitates to raise the per diem to \$100.00. Tapley asked if Busey ever calculated the actual amount paid to County Board members for per diems and then divided it as though it was an annual salary. Busey asked if Tapley was asking to change the County Board compensation to an annual salary instead of a per diem for the meetings members attend. Tapley said yes. Busey said the County Board cannot make that kind of change until the next decennial organization. Busey estimated the average annual compensation for a Champaign County Board member is about \$2,200.

MOTION by Gross to approve setting the per diem to be paid to County Board members at \$100.00, effective December 1, 2008; seconded by Wysocki for purposes of discussion.

Betz said he views the per diems as not only compensation for the meetings, but for the phone calls, reading materials, and other time spent performing tasks as a County Board member. He stated the Board members do not do it for the money. Tapley said this is why he preferred the annual salary. He would feel guilty about accepting \$100.00 per meeting. McGinty asked how to handle the situation of Board members with less than stellar attendance at meetings. Some Board members have to attend quite a few more meetings than others. Wysocki said, by virtue of taking a leadership class with other County Board members from around the state, she has learned that counties who do offer annual salaries instead of per diems have attendance problems at meetings. She realizes \$45.00 is not the greatest motivator to entice members to come to meetings, but the fact is they do not get paid if they do not attend a meeting. Wysocki thought it would be a step backward to give Board members an annual salary and then find themselves barely establishing a quorum at meetings. The committee continued to discuss the per diem rate. Gross said the \$45.00 per diem indicates the County Board members are not valued very much and she supported the increase. O'Connor stated he could not vote for the increase on principle. Betz requested a roll call vote.

Motion carried with a vote of 5 to 2. Doenitz, Gross, Tapley, Wysocki, and McGinty voted in favor of the motion. Betz and O'Connor voted against the motion.

2007 Annual Tax Levy Ordinance

MOTION by Tapley to approve the 2007 Annual Tax Levy Ordinance; seconded by Betz. **Motion carried.**

2007 Annual Budget and Appropriation Ordinance

Busey explained in the materials she distributed to the committee is a memorandum describing three changes to the FY2007 Budget since the County Board received the budget document. The changes are:

1. A request from the Circuit Clerk for an additional \$20,000 to be appropriated in the Court Documents Storage Fund for Temporary Salaries and Overtime. The Circuit Clerk told Busey this is a one-time requirement pursuant to a project that is being undertaken with the judiciary to eliminate thousands of old court cases.

2. A transfer of \$30,000 in the Courthouse Museum Fund pursuant to an action approved by the County Board on October 19, 2006. The FY2007 expenditure in this fund has been decreased by \$30,000 and the FY2006 expenditure has been increased by \$30,000. This had to be corrected in the FY2007 Budget.
3. The General Corporate Fund – Physical Plant budget had appropriated \$75,000 in FY2005 for remodeling projects at Brookens Administrative Center. The money was not spent in FY2005 and was appropriated to the FY2006 Budget. Only \$20,000 of this money has been spent in FY2006, so the remaining money has been appropriated to the FY2007 Budget.

With these changes, the General Corporate Fund FY2007 total goes into a deficit of \$28,272. Busey would not consider this a deficit because the remodeling is an expenditure that has previously been approved to be paid from available resources and it is a project that still should be ongoing. Busey wanted the committee to be aware of the changes in case they wanted to give direction that would contradict these changes before they approve the Annual Budget Ordinance.

Wysocki inquired if the Brookens remodeling would get back on schedule after the interruption caused by the remodeling demands of the County Clerk's Office. Inman confirmed the Brookens remodeling would get back on track.

Gross asked about the increased funding for the Circuit Clerk's Office. McGrath explained the increase comes from a special fund that accrues payments from court filing fees. It is not a general revenue expenditure. There have been recent changes in the rules from the Administrative Office of the Illinois Courts about the Circuit Clerk's requirements regarding document storage and the number of years the documents must be maintained. Busey stated this is not the first time the Circuit Clerk has wished to eliminate these old files, but she cannot eliminate files without the cooperation of the judiciary to take the time to review the files and give the orders to eliminate them.

MOTION by Betz to approve the 2007 Annual Budget and Appropriation Ordinance; seconded by Tapley. **Motion carried.**

TREASURER **Monthly Report**

Welch directed the committee's attention to Page 4 under Fund 671 to view the Court Documents Storage Fund balance. Welch observed, in the Outstanding Inter-Fund Loans section, that the only outstanding loan for any length of time has been the \$223,000 loan to the Election Assistance Fund from the General Corporate Fund made in January 2006. This loan was repaid on November 2, 2006. There are no other outstanding inter-fund loans. Welch reported the tax sale was held on October 27, 2006. His office took 714 real estate properties and 215 mobile homes to the sale. This year the Treasurer's Office collected a total of \$240 million. Of the \$240 million, \$429,000 was not collected for a 99.8% collection. \$379,000 of the \$429,000 uncollected was due to large bankruptcies. The final distribution will be made next week to the taxing districts and close the real estate season for 2006.

MOTION by Tapley to receive and place on file the Treasurer's October 2006 monthly report; seconded by Gross. **Motion carried.**

ADDENDUM **Resolution Designating Depositories for Funds**

Welch stated he brings this resolution before the County Board each year. It is a function of the County Board to designate the entities where the County puts its money.

MOTION by Wysocki to approve the Resolution Designating Depositories for Funds seconded by Tapley.

Gross, Betz, and Tapley stated they would need to abstain from voting due to conflicts of interests with some of the banks list in the resolution. Doenitz agreed to replace Tapley as the seconder on the motion.

Motion carried with Gross, Betz, and Tapley abstaining.

AUDITOR

Purchases Not Following Purchasing Policy

Frerichs distributed the list of purchases not following purchasing policy for information only.

Monthly Report

MOTION by Betz to receive and place on file the Auditor's September 2006 monthly report; seconded by Gross. **Motion carried.**

CHAIR'S REPORT

McGinty thanked the Finance Committee members for their two years of service and for enduring him as Chair. He appreciated the cooperative spirit the committee has demonstrated.

OTHER BUSINESS

There was no other business.

APPROVAL OF CLOSED SESSION MINUTES

MOTION by Wysocki to approve the closed session Finance Committee minutes of October 5, 2006 and the Performance Appraisal Subcommittee minutes of September 14, 2006; seconded by Gross.

Gross stated she seconded the minutes in order to discuss them. She said she found the minutes sketchy and would prefer they include a fuller description of the discussion during the closed session. Betz said he felt comments made during the closed session should be included in the minutes because they will be reviewed in the future when the issue discussed reoccurs. Busey stated one reason the minutes are not as thorough as open session minutes is because historically closed session minutes have not given a verbatim account of what was said during a closed session. According to the Open Meetings Act, there is no requirement that closed session minutes reflect anything other than the general discussion that did occur. The closed session minutes for County Board meetings are always very general. Busey stated, in her opinion, Administrative Services has two excellent Administrative Secretaries who have raised the bar on minutes that committees receive. It is not required that the closed sessions be documented at the same degree as the open session minutes. She explained one of the reasons for entering into a closed session is to protect the discussion and there have been incidents of closed session information not remaining at the level of confidentiality that it should. McGrath added that the legislative history for the addendum to the Open Meetings Act that requires there be tapes of all closed sessions indicates there is some need to periodically review what happened during a closed session. There was some concern about individuals arguing about what was written in closed session minutes as opposed to what was recorded on the audiotapes. It was determined it is a better procedure to have people listen to the closed session tapes if they had specific questions about what was contained within the closed session rather the looking at what is written in the minutes. This is the preferred method for thoroughness. McGrath stated pursuant to some amendments made to the Freedom of Information Act, it was decided an audiotape provided a more accurate

rendition of what was contained in the closed session than the minutes would. The committee discussed the closed session minutes.

Betz asked how long the County keeps tapes of the meetings. Busey said the law requiring tapes be kept is fairly recent. She said the County now keeps the tapes. Betz asked about the life expectancy of the audiotapes. McGrath said that has not yet been addressed by Freedom of Information Act or the Open Meetings Act. There is no requirement within either statute about how long or on what medium the recordings of meetings must be maintained. McGrath has seen some draft legislation addressing this issue in Springfield. She anticipates direction on this matter will be forthcoming. Betz was concerned about the medium used to record the meetings becoming obsolete. He would like to have a policy about the recordings specifying how long the recordings will be kept. McGinty suggested Busey direct IT to make a recommendation on how to best store these recordings or covert them to a new medium.

Motion carried with two notes votes by Betz and Gross.

DESIGNATION OF ITEMS TO BE PLACED ON COUNTY BOARD CONSENT AGENDA

The Chair designated agenda items VI A-N and VII A 1-2 for the consent agenda.

Tapley asked if Budget Amendment #06-00113 should be an appropriation to the Self-Funded Insurance Fund instead of the Tort Immunity Fund based on the fund balance listed in the Treasurer's Report. Busey explained the budget amendment was correct as written. The appropriation is for expenditure authority for the budget, it has nothing to do with the cash position.

ADJOURNMENT

The Chair adjourned the meeting at 7:45 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.