

CHAMPAIGN COUNTY BOARD  
**COMMITTEE MINUTES**

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**FINANCE COMMITTEE**

**Thursday, March 15, 2007**

**Meeting Room 2, Brookens Administrative Center  
1776 E. Washington St., Urbana**

7:00 p.m.

**MEMBERS PRESENT:** Doenitz, Gross, Jones, McGinty (Chair), O'Connor, Richards, Tapley, Wysocki

**MEMBERS ABSENT:** Weibel

**OTHERS PRESENT:** Kat Bork (Recording Secretary), Andrew Buffenbarger (Nursing Home Administrator), Deb Busey (County Administrator of Finance & HR Management), David DeThorne (Senior Assistant State's Attorney), Denny Inman (County Administrator of Facilities & Procurement), Elizabeth Murphy (RPC), Dan Welch (Treasurer)

**CALL TO ORDER**

In the spirit of bipartisan cooperation, Tapley chaired the meeting at the request of McGinty. Tapley called the meeting to order at 7:00 p.m.

**ROLL CALL**

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

**APPROVAL OF AGENDA/ADDENDUM**

**MOTION** by Wysocki to approve the agenda and addendum; seconded by O'Connor. **Motion carried.**

**APPROVAL OF MINUTES**

**MOTION** by Doenitz to approve the regular session Finance Committee minutes of February 8, 2007; seconded by O'Connor. **Motion carried.**

**PUBLIC PARTICIPATION**

Jude McKenna from Representative Naomi Jakobsson's office introduced himself and volunteered to listen to any suggestions from County Board members. Wysocki stated more state funding is needed.

**STATE'S ATTORNEY**

**Renewal of Violent Crime Victims Assistance Grant**

**MOTION** by McGinty to approve the application for, and if awarded acceptance of, the Violent Crime Victims Assistance Grant. **Motion carried.**

**BUDGET AMENDMENTS/TRANSFERS**

**Budget Amendment #07-00026**

**MOTION** by O'Connor to recommend to the County Board approval of Budget Amendment #07-00026 from Fund 677 Juvenile Intervention Services – Department 052 Court Services/Probation for increased appropriations of \$5,000 for the Conferences & Training line with no increased revenue; seconded by McGinty.

Busey explained this amendment budgets the expenditure from money in the fund because Court Services did not budget any expenditure for this purpose in FY2007. This money will be used specifically for training. The appropriation represents grant money and the use of the funds is in compliance with the grant.

**Motion carried.**

**Budget Amendment #07-00027**

An amended version of the resolution was distributed to the committee.

**MOTION** by Gross to recommend to the County Board approval of Budget Amendment #07-00027 from Fund 686 Sheriff Equipment Grant-ICJIA – Department 040 Sheriff for increased appropriations of \$1,847 for the Return Unused Grant line with no increased revenue; seconded by Richards. **Motion carried.**

**Budget Amendments #07-00028, #07-00029, and #07-00030**

**MOTION** by McGinty for an omnibus motion to recommend to the County Board approval of Budget Amendment #07-00028 from Fund 679 Children's Advocacy Center – Department 179 Children's Advocacy Center for increased appropriations of \$4,255 for the Furnishings, Office Equipment line and \$505 for the Equipment Less Than \$1,000 line with increased revenue of \$4,760 from the Justice-Missing Child Assistance line,

Budget Amendment #07-00029 from Fund 075 Regional Planning Commission – Department 698 St. Mary's Road Corridor for increased appropriations of \$60,000 for the Regular Full-Time Employees line, \$7,000 for the Temporary Salaries & Wages line, \$1,000 for the Stationary & Printing line, \$2,500 for the Office Supplies line, \$1,000 for the Postage, UPS, Federal Express line, \$500 for the Gasoline & Oil line, \$2,000 for the Equipment Less Than \$1,000 line, \$1,000 for the Job-Required Travel Expense line, \$300 for the Telephone Service line, \$700 for the Equipment Rentals line, and \$1,500 for the Photocopy Services line with increased revenue of \$85,000 from the University of Illinois line, and

Budget Amendment #07-00030 from Fund 075 Regional Planning Commission – Department 690 University Avenue Corridor Study for increased appropriations of \$75,000 for the Regular Full-Time Employees line, \$7,000 for the Temporary Salaries & Wages line, \$1,000 for the Stationary & Printing line, \$2,500 for the Office Supplies line, \$1,000 for the Postage, UPS, Federal Express line, \$500 for the Gasoline & Oil line, \$2,500 for the Equipment Less Than \$1,000 line, \$1,000 for the Job-Required Travel Expense line, \$300 for the Telephone Service line, \$700 for the Equipment Rentals line, and \$1,500 for the Photocopy Services line with increased revenue of \$100,000 from the Urbana City line.

Motion was seconded by Wysocki.

Wysocki asked about the corridor study on St. Mary Road. Murphy said the University of Illinois will use its own funds, not IDOT money, for this project and requested the study. With the new conference center being erected, the university wants to know the traffic impact in the area from Neil Street to Lincoln Avenue, so all modes of transportation will be studied.

Gross asked about the University Avenue corridor study. Murphy stated the City of Urbana was awarded IDOT funding for the area from State Street to Cunningham Avenue and requested the study.

**Motion carried.**

Budget Amendment #07-00032

**MOTION** by Wysocki to recommend to the County Board approval of Budget Amendment #07-00032 from Fund 070 Nursing Home Construction – Department 010 County Board for increased appropriations of \$1,282,636 for the Nursing Home Building/Construction line with no increased revenue; seconded by McGinty.

Busey explained this amendment appropriates the cash balance in the Nursing Home Construction Fund to pay the remaining project bills in FY2007. This money is bond proceeds.

Wysocki asked about signage for the new Nursing Home. Inman said exterior signage would be posted when the weather becomes warmer. There will be signage on Main Street and Lierman Avenue directing the public where to find the Nursing Home.

**Motion carried.**

Budget Amendment #07-00033

Busey asked that the resolution for a loan to the Nursing Home on the addendum be considered instead of Budget Amendment #07-00033.

**COUNTY ADMINISTRATOR**

General Corporate Fund FY2007 Revenue/Expenditure Projection Report

Busey distributed her reports to the committee. She noted a change to the inheritance tax line. She expects to receive the annual average in this line. Busey stated there has been a slow down of real estate transactions, sales taxes are coming in fairly close to the budgeted amounts, and the general government revenue is fairly stable. The expenditures are coming in close the budgeted amounts. The Gas Service line might spend less than what is budgeted. The Electric Service line will need more money, so hopefully these lines will balance each other out. She projected a \$450,000 revenue positive ending balance for the FY2007 General Corporate Fund. This is consistent with how the General Corporate Fund ended FY2006 without the transfers to other funds.

General Corporate Fund Budget Change Report

This report documented changes to the FY2007 budget.

Nursing Home Report

In response a question from Richards, Busey explained that although the Nursing Home's budget appears to be revenue positive for January and February, this is only because the Nursing Home is holding off paying its bills in order to make its payroll. Busey provided a projection of cash flow for the Nursing Home so the committee could see the actual costs. The State of Illinois has also slowed some of its reimbursements.

Wysocki asked if the County is seeing the effect of the Ameren rate hike. Busey said Physical Plant is beginning to notice increases on the February bills. Inman anticipated the County would see a 14% decrease over the new rates as a member of the consortium body. The committee discussed the consortium and Ameren rates.

**TREASURER**  
**Monthly Report**

Welch distributed his monthly report and highlighted that the General Corporate Fund had a negative balance of \$323,000 as of today. The County Board approved a resolution in February to allow the General Corporate Fund to borrow money from the Public Safety Sales Tax Fund until the disbursement of tax revenue. Tapley asked how much internal borrowing capacity the fund has. Welch said a loan has to be specific from one fund to another. The General Corporate Fund has the ability to borrow up to \$1.5 million from the Public Safety Sales Tax Fund. This should be more than adequate coverage. The Public Safety Sales Tax Fund loaned the General Corporate Fund \$300,000 in FY2006, which was repaid when the tax revenue was received. There was a tax cycle meeting today and, after some intrigue, the County Clerk should be able to catch up and the tax bills should be issued by May 1st. Tapley asked if the tax cycle is off schedule. Welch confirmed it is because there was a dispute about the Board of Review signing off on the abstract based on thirty parcels. Welch and Busey advocated the Board of Review signing the contract without waiting for the legal opinion because they thought the 70,000 parcels with \$240 million in taxes to be collected outweighed the thirty parcels. Two of the three Board of Review members signed the book prior to receipt of a legal opinion.

**MOTION** by McGinty to receive and place on file the Treasurer's February 2007 monthly report; seconded by Jones. **Motion carried.**

**Resolution for Authorization for Loan to Social Security and IMRF from Working Cash Fund**

Welch stated this is an annual resolution submitted in anticipation of Social Security and IMRF being in need of money before the receipt of tax revenue.

**MOTION** by Wysocki to approve the Resolution for Authorization for Loan to Social Security and IMRF from Working Cash Fund; seconded by Doenitz.

Tapley asked for an explanation of the Working Cash Fund. Welch answered that the Working Cash Fund has a \$380,000 balance and is a borrowing authority for specific funds because, by statute, certain funds can only borrow from certain other funds.

**Motion carried.**

**ADDENDUM**

**Request from Housing Authority for Waiver of Annual PILOT Payment**

Welch stated he did not receive the information from the Housing Authority so this item could not be considered. The Housing Authority contacted the Treasurer's Office with a request to waive their PILOT payment because they lost some HUD funding. Welch told the Housing Authority that he did not have the authority to waive the payment and offered to submit it to the Finance Committee for consideration if they provided the necessary information. Welch explained that the Housing Authority pays the County 10% of their gross rents minus utilities and other calculations. If a particular housing unit is in a negative position, the Housing Authority does not owe the County money for that housing unit. The Housing Authority was requesting waiver of the total payment.

**AUDITOR**

**Purchases Not Following Purchasing Policy**

This list was provided for information only.

Gross asked why the Highway Department is repeatedly on the purchases not following purchasing policy list for items that should have had purchases orders. Busey noted sometimes the shipping costs put the total cost of an item over the \$1,000 limit. Gross asked if a department could prepare a purchase order for items that are close to \$1,000 in case shipping costs put it over the limit. Inman said some of the purchases are over \$1,000 because two orders are picked up at the same time to avoid making two trips. This is not an intentional violation of the purchasing policy, just a matter of circumstances.

Gross asked about the cost of repairing the fiber optic cable and why it was cut. Inman clarified that the fiber optic cable was cut by Ameren, even though it was clearly marked. Ameren has cut the cable twice. Gross asked why the County had to pay for the repair if Ameren did the damage. Inman said it was an emergency situation because the cut cable caused METCAD to go down. Inman is looking into getting reimbursed by Ameren.

#### Monthly Reports – January 2007 and February 2007

**MOTION** by Gross to receive and place on file the Auditor's January 2007 and February 2007 monthly reports; seconded by Jones. **Motion carried.**

#### ADDENDUM

##### NURSING HOME

##### Resolution Authorizing a Loan from the General Corporate Fund to the Nursing Home Fund

Busey stated the Nursing Home's finances were reviewed and they are hopeful that the Nursing Home will get back on track in the next twelve months with the changes that are being made. With a loan, the General Corporate Fund could be paid back. Doenitz asked if the loan would truly be paid back. Busey said they are hopeful the Nursing Home revenues and operational budget will turn around within twelve months. Even if only half of the loan is paid back, it would be a better situation than the General Corporate Fund receiving nothing. The committee discussed making a loan to the Nursing Home and the operational finances.

Wysocki asked if the Nursing Home is beginning to implement the recommendations of the consultants who performed the operational audit. Buffenbarger stated they were implementing some of the changes. They have renegotiated the therapy contract, specifically regarding Medicare, and are moving ahead with aggressively targeting that revenue stream. Tapley asked if the transfers from the General Corporate Fund that were made to cover the operational deficits over the last several years could be repaid if the Nursing Home becomes profitable in the future. Busey recommended getting a legal opinion on that matter.

**Motion carried.**

#### CHAIR'S REPORT

##### Discussion Regarding Long-term/Strategic Planning for County Financial Plan

The development of a long-range financial plan has been forwarded from the Policy, Personnel, & Appointments Committee. The Finance Committee will work on it as a group with items coming on a monthly basis. Busey has already engaged in forward planning, such as the Capital Improvement Fund. Tapley said he thinks the Finance Committee is moving in the right direction, though there is always room for improvement. Busey stated the intention is to make sure the County has comprehensively covered everything that might be needed in order for the Board to have a solid, long-term financial plan. McGinty added that education about the County's budget to the department heads, Board members, the public, and the media will be very important. The committee discussed developing a strategic financial plan. McGinty said cultivating performance indicators would be useful to benchmark the County's progress towards its goals. Discussion continued on demographics

and more accurate tools for long-term projections. The committee members were encouraged to give input during the process.

### **OTHER BUSINESS**

#### **Request from the Mental Health Center for the Issuance of \$1.8 Million in Industrial Revenue Bonds**

Busey stated the Mental Health Center was unable to provide the appropriate documents for tonight's meeting. It will likely be on the April agenda. The Mental Health Board is trying to refund some older bonds and would like to use the County's bond capacity to issue the bonds. The County has the authority to issue \$10 million in bonds in any given year. Busey anticipates \$6 million in bonds will need to be issued for the exterior renovation courthouse project. The County could issue those bonds and the Mental Health Board's bonds without exceeding the \$10 million cap in FY2007.

The committee asked about the clock tower renovation project. Busey stated the Clock & Bell Tower Committee has gotten almost enough pledges to complete the project, but they have not received all of the actual money yet. Busey said some bond proceeds might be used to front some of the clock tower project costs until the pledged money is received. The committee discussed possible additional donations.

#### **Semi-Annual Review of Closed Session Minutes**

McGinty stated Susan McGrath of the State's Attorney's Office sent a recommendation that all the closed session minutes should remain closed because to open them would violate privacy rights, identify litigation strategies, discuss collective bargaining strategies or agreements, or otherwise disclose information which should remain closed.

**MOTION** by Wysocki for all closed session minutes to remain closed; seconded by McGinty. **Motion carried.**

### **DESIGNATION OF ITEMS TO BE PLACED ON COUNTY BOARD CONSENT AGENDA**

Tapley designated agenda items XI A, VII A-F, and IX B for the consent agenda.

### **ADJOURNMENT**

Tapley adjourned the meeting at 8:00 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.*