

CHAMPAIGN COUNTY BOARD
COMMITTEE MINUTES

FINANCE COMMITTEE

Thursday, September 4, 2008

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

MEMBERS PRESENT: Chris Doenitz, Brad Jones, Brendan McGinty (Chair), Alan Nudo, Steve O'Connor, Michael Richards, C. Pius Weibel, Barbara Wysocki

MEMBERS ABSENT: Claudia Gross

OTHERS PRESENT: Kat Bork (Recording Secretary), Deb Busey (County Administrator of Finance & HR Management), Denny Inman (County Administrator of Facilities & Procurement), Stephanie Joos (Animal Control Director), Dan Welch (Treasurer)

CALL TO ORDER

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

ROLL CALL

The Recording Secretary called the roll. Doenitz, Jones, McGinty, Nudo, O'Connor, Richards, Weibel, and Wysocki were present at the time of roll call establishing the presence of a quorum. Gross's absence was excused as she had informed McGinty yesterday that she would not attend the meeting.

APPROVAL OF AGENDA/ADDENDUM

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

APPROVAL OF MINUTES

MOTION by Wysocki to approve the Finance Committee minutes of August 7, 2008; seconded by Doenitz.

Wysocki requested changes be incorporated on lines 111 and 390 to correct errors, to which the committee concurred.

Motion carried as amended.

PUBLIC PARTICIPATION

There was no public participation.

BUDGET AMENDMENTS/TRANSFERS

Budget Amendment #08-00074, Budget Amendment #08-00075, and Budget Amendment #08-00077

MOTION by Jones to recommend to the County Board approval of:

Budget Amendment #08-00074 from Fund 105 Capital Asset Replacement Fund – Department 140 Correctional Center for increased appropriations of \$17,427 for the Automobiles, Vehicles line with no increased revenue; Budget Amendment #08-00075 from Fund 105 Capital Asset Replacement Fund – Department 020 Auditor for increased appropriations of \$2,205 for the Equipment Less Than \$1,000 line with no increased revenue; and Budget Amendment #08-00077 from Fund 613 Court’s Automation Fund – Department 030 Circuit Clerk for increased appropriations of \$75,000 for the Furnishings, Office Equipment line with no increased revenue. Motion seconded by Weibel.

Wysocki inquired what the County Board’s intention was in sending these budget amendments back to the committee. She noted the Finance Committee has spent years trying to encourage County departments to set aside monies for these large expenses. These budget amendments are evidence that these three departments have been trying to do so, instead of spending all their money and then coming back to the County Board to sort out a budget crisis. Wysocki indicated allowing these kinds of budget requests encourages that behavior, particularly when budgets are tight and department heads can find ways to secure dollars that do not involve dipping into the General Corporate Fund.

Busey had provided a list of the items being replaced in the Sheriff’s Office in the agenda packet. She noted the computers’ replacement date had been extended beyond the normal replacement cycle because in FY2007 the Sheriff had to spend several hundred thousand dollars on radios rather unexpectedly. Enough money was reserved by last year to replace the computers, partially because computers are less expensive now. The computers had to have JANO loaded onto them before JANO went live on July 1st. These computers were too old to run JANO and New World at an efficient rate and it takes approximately two weeks for the IT Department to load the programs onto the computers. The computers are only being replaced five months ahead of schedule, have the full amount reserved for their cost, and their purchase now will eliminate IT from having to load the JANO and New World programs twice for the Sheriff’s Office. This is why the computers were replaced early. Busey explained a lot of planning goes into setting these monies aside and scheduling the capital asset replacements. Because the County Board is not reserving any funding for capital asset replacements in FY2009, the replacement schedule will be delayed. This was done in 2003 and the departments managed to work through it. Hopefully, the replacement schedule will be able to similarly recover by 2010.

Weibel concurred the first two budget amendments represent good long-term planning it is clear the funds have been saved for the purchases, so he supported the budget amendments. Nudo asked if any departments would try to push up capital purchases originally scheduled in FY2009 during the remainder of FY2008 because the FY2009 capital purchases had been frozen. Busey explained the capital purchases have been reviewed with every single department to determine if and when they will occur. All of the departments are aware capital purchasing is done for this year. The only two departments that are really covered by capital for technology are the Auditor’s Office and the Correctional Center. The Auditor’s Office had three computers to replace, one of which absolutely had to be replaced this year. It is preferred to keep an office on the same cycle, so all three computers in the Auditor’s Office were replaced this year. Busey has always encouraged the departments to have capital expenditures completed by August. The only remaining capital purchase could be the bus that the Sheriff is attempting to purchase. The bus purchase was budgeted for this year and still may occur.

Motion carried.

Budget Amendment #08-00083 and Budget Amendment #08-00088

MOTION by Wysocki to recommend to the County Board approval of Budget Amendment #08-00083 from Fund 075 Regional Planning Commission – Department 715 IDOT Planning for increased appropriations of \$19,500 for the Regular Full-Time Employees line, \$2,500 for the Regular Part-Time Employees line, \$13,500 for the Professional Services line, \$917 for the Job-Required Travel Expense line, \$18,000 for the

Contributions & Grants line, and \$583 for the Conferences & Training line with increased revenue of \$55,000 from the IDOT-ST. Planning & Research and Budget Amendment #08-00088 from Fund 075 Regional Planning Commission – Department 705 Local Area Network-Even Years for increased appropriations of \$10,000 for the Contributions & Grants line with increased revenue of \$10,000 from the DCFS-Community Based Services; seconded by Richards. **Motion carried.**

Budget Amendment #08-00084

MOTION by O'Connor to recommend to the County Board approval of Budget Amendment #08-00084 from Fund 083 County Highway – Department 060 Highway for increased appropriations of \$50,000 for the Gasoline & Oil line and \$50,000 for the Heavy Equipment, Maintenance line with no increased revenue; seconded by Doenitz.

Weibel asked about increased vehicle maintenance costs. Busey thought part of the expense was the Highway Department moving into the new facility. The Highway Department is beginning to perform maintenance on vehicles other than Highway vehicles. This is likely the expenditure authority to buy what it takes to maintain the vehicles. Weibel asked if the County might see some payback from that later. Busey said that is expected and the County Engineer is meeting with affected departments tomorrow.

Motion carried.

Budget Amendment #08-00085 and Budget Amendment #08-00086

MOTION by Wysocki to recommend to the County Board approval of Budget Amendment #08-00085 from Fund 476 Self-Funded Insurance – Department 118 Property/Liability Insurance for increased appropriations of \$160,656 for the Property Loss/Damage Claims and \$87,680 for the Property Loss/Damage Claims with increased revenue of \$120,191 from the Insurance Claims Reimbursement line and Budget Amendment #08-00086 from Fund 080 General Corporate – Department 071 Public Properties for increased appropriations of \$160,656 for the 1701 Main Outbuildings Construction line with increased revenue of \$160,656 from the Insurance Claims Reimbursement line; seconded by Weibel.

Nudo was unaware of any recent storm damage and asked about the reason for the expense. Busey stated the damage occurred over year ago and the Highway/Election Building is being repaired and remodeled to an extent for use by the Sheriff and primarily by the County Clerk.

Motion carried.

Budget Amendment #08-00087

MOTION by Weibel to recommend to the County Board approval of Budget Amendment #08-00087 from Fund 080 General Corporate – Department 071 Public Properties for increased appropriations of \$5,353 for the Maintenance Supplies line with increased revenue of \$5,353 from the Tenant Reimbursement Building Improvement line; seconded by Richards.

Weibel asked if this would be the last budget amendment for the RPC remodeling project. Busey said if it is not final, then it should be close to being done.

Motion carried.

Budget Transfer #08-00016

MOTION by Richards to recommend to the County Board approval of Budget Transfer #08-00016 in Fund 080 General Corporate – Department 071 Public Properties for a transfer of \$11,000 from the Temporary Salaries & Wages line to the Court Facility Repair/Maintenance line; seconded by Wysocki.

Wysocki asked for details about this transfer. Busey explained the transfer will cover operating expenses. There have been some unexpected chiller and boiler issues.

Motion carried.

ADDENDUM

Budget Amendment #08-00089

MOTION by Weibel to recommend to the County Board approval of Budget Amendment #08-00089 from Fund 080 General Corporate – Department 031 Circuit Court for increased appropriations of \$7,000 for the Court Reporting line, \$15,000 for the Professional Services line, and \$12,000 for the Contract Attorneys line with increased revenue of \$34,961 from the State Reimbursement line; seconded by Wysocki. **Motion carried.**

Budget Transfer #08-00017

MOTION by Richards to recommend to the County Board approval of Budget Transfer #08-00017 in Fund 620 Health-Hospital Insurance – Department 120 Employee Group Insurance for a transfer of \$10,000 from the Employee Health/Life Insurance line to the Audit & Accounting Fees line; seconded by Weibel.

Wysocki asked for an explanation of the OPEB study. Busey elucidated the study is a new GASB requirement and it has to do with the liability of pension estimate benefits. The fact that Champaign County allows its retirees to purchase life insurance through its group plan creates a liability because the retirees' health affects the census and the long-term premium rates. An actuarial study had to be conducted for auditing purposes for next year to state what the liability is. The RFP and hiring of a consultant was approved earlier this year. Doenitz did not remember approving that and said it seems out of place. Busey stated it is an accounting statutory requirement under the GASB requirements under which the County is required to produce its audit. The County does not really have any choice, it is an unfunded mandate.

Motion carried with one vote against by Doenitz.

COUNTY ADMINISTRATOR

General Corporate Fund FY2008 Revenue/Expenditure Projection Report

Busey distributed her reports to the committee. She reported, based on the current budget of \$33,848,734, that it expected the General Corporate Fund will see 99% of budgeted revenue. This is similar to what Busey has been presenting to the committee in past months. She pointed out the General Government fees are somewhat of an estimate because the Circuit Clerk is substantially behind on getting fees processed with the new JANO system. The Circuit Clerk believes they will catch up and the total fees will be close to what they were last year. On the expenditure side, it appears the budget will be under spent 2.5%, but this is a budget that has been increased substantially this year and it now a \$35.2 budget. The expected deficit is \$772,878 for this fiscal year. With the outstanding loans to the Nursing Home, the General Corporate Fund balance will be at 3.5% or \$1.2 million. Busey pointed out that \$700,000 is money for the ILEAS project, which is a one-time capital expense. The revenue for this project was received last fiscal year. Busey thought it would be useful to see how these projections are measuring up month to month. By reviewing her projections from February to now, it looks pretty clear that the deficit was expected in the same amount since early this year.

Wysocki asked if the County would realize revenue from the ILEAS project. Busey said the realization is that the County has a building that is largely improved. She believes the project will probably need one more budget amendment and will spend all of the money it received from ILEAS. The County Board now knows it has absorbed the utilities costs for that building out of the General Corporate Fund. As ILEAS stays and continues paying rent in the outgoing years, the General Corporate Fund will see revenue to its benefit. Wysocki asked if ILEAS would pay rent every year. Busey said they would after the first three years, which was paid with the \$2.9 million.

General Corporate Fund Budget Change Report

Busey reported 4.7% in expenditure and about 0.6% in revenue has been added to the budget, which creates a deficit of \$1.4 million on paper. The deficit is actually projected at \$772,878.

FY2009 Budget

At the Legislative Budget Hearings, Busey was directed to present her recommendations on how to balance the FY2009 budget to the Finance Committee. The second option was provided in the addendum, which was a result of a member's request that the Sheriff's \$100,000 for squad cars be kept in the budget and offset with a one-time transfer from the Public Safety Sales Tax Fund.

McGinty asked if there was a preference amongst the committee for Option One or Two. Nudo asked about the cap on Extension Education. Busey said that issue was raised at the budget hearing and she spoke with the Extension Education Executive Director. Extension Education presented its budget based on a 4% increase and the Executive Director was fine with accepting the 4% increase. This results in the General Corporate Fund receiving an additional \$12,000.

Doenitz supported implementing Option Two because he had raised the issue of the Sheriff's vehicles. He does not want the County getting behind schedule on the vehicles because it will cause a problem at a later time. Busey said the additional impact of that action on the Public Safety Sales Tax is on Page 4 of the addendum. The Public Safety Sales Tax Fund should still be able to manage everything it has to with that additional expense. Nudo inquired about going beyond FY2007 to calculate the accurate utilities costs for the justice system buildings so the General Corporate Fund could be reimbursed by the Public Safety Sales Tax Fund. Busey said she could go back farther than FY2007 in calculating the actual costs of the utilities for those buildings in the committee so desired. The same amount has been transferred since 2003. Nudo felt the accurate utilities costs should be paid from the Public Safety Sales Tax Fund in light of the County's situation. Busey warned the committee that the fund's annual loan capacity would drop if more money is transferred out of the Public Safety Sales Tax Fund. The accurate utilities costs could amount to another \$500,000 dollars being moved to the General Corporate Fund. Nudo asked for this to be done. Busey said that is an issue separate from balancing the FY2009 Budget and asked that it be dealt with as an issue to replenish the General Corporate Fund balance.

MOTION by Weibel to direct the County Administrator of Finance to prepare the FY2009 budget with the changes presented as Option Two in order to balance the budget; seconded by Doenitz. **Motion carried.**

Busey recommended, if the committee wished to transfer the true utilities costs out of the Public Safety Sales Tax Fund, to direct her to prepare a budget amendment to the FY2008 Budget instead of changing the FY2009 Budget to avoid creating the appearance of the a revenue positive FY2009 Budget that is not reflective of the actual budget. She further recommended the budget amendment be presented at the September County Board meeting so it is taken care of before the Board moves into the rest of the budget. The committee agreed. Busey asked how far the committee desired her to go back. Nudo stated his intention was for the General Corporate Fund to be reimbursed for the actual numbers spent on utilities.

MOTION by Weibel to direct the County Administrator of Finance to prepare a budget transfer for the September County Board meeting to reimburse the General Corporate Fund from the Public Safety Sales Tax Fund for the actual cost of the utilities for the public safety facilities over the years; seconded by Doenitz. **Motion carried.**

MOTION by Wysocki to receive and place on file the reports from the County Administrator of Finance & HR Management; seconded by Doenitz. **Motion carried.**

ANTICIPATED ACTION FROM POLICY, PERSONNEL, & APPOINTMENTS COMMITTEE
Response to Request for Evaluation of Lead Tax Extension Specialist in County Clerk's Office

MOTION by Weibel to approve the reclassification of the Lead Tax Extension Specialist, AFSCME General Unit; seconded by O'Connor,

Wysocki asked for information on the position. Busey described how the Lead Tax Extension Specialist duties were re-evaluated by the Job Content Evaluation Committee and a recommendation for the position's reclassification to a higher grade range was approved by the Policy, Personnel, & Appointments Committee. Wysocki asked when the position was last evaluated, to which Busey it was done in 2001. Nudo asked if the Lead Tax Extension Specialist got all of this done in a year's time. Busey confirmed the duties were accurate and it is the sense of the Job Content Evaluation Committee that this is one of the most responsible positions that still remains in the bargaining unit. This position extends and certifies the taxes for all of the taxing districts. The responsibilities assigned to this position are rather comprehensive.

Motion carried.

NURSING HOME

Financial Report on the Nursing Home – Current Outstanding Accounts Payable

Busey stated there was no report from the Nursing Home because it is early in the month. Mike Scavatto and Andrew Buffenbarger made a report at the Legislative Budget Hearing.

TREASURER

Monthly Report

Welch distributed his report to the committee. The real estate taxes are due this week. The Treasurer's Office has collected 90% of taxes and distributed 80% of the revenue. It will be a challenge to collect the last 10% of taxes. Welch wished to clarify the statement credited to him in the *News-Gazette* regarding Provena Hospital's tax case. Welch did not demand anything from Provena as the newspaper reported, he requested the return of the money in a professional manner. The Board of Review has decided to tax Provena for the current year and he shall issue the tax bill. The last day of tax collection is October 23, 2008 and the tax sale will be held on October 24, 2008. Welch has asked for Provena to return all of the tax money, the \$315,000 in interest that the County paid to Provena, and for interest on top of that. Welch added that Provena has not responded to his request. The County's attorney is contacting the hospital's attorney. The County's portion of Provena bill is only \$9,000 out of the total \$6 million due. Welch noted the County has a bigger stake in Carle's case, whose total taxes amount to over \$9 million.

MOTION by Doenitz to receive and place on file the Treasurer's August 2008 monthly report; seconded by Wysocki. **Motion carried.**

Resolution Authorizing the County Board Chair to a Assign Mobile Tax Sale Certificate of Purchase on Permanent Parcel No. 30-058-0016 and Resolution Authorizing the County Board Chair to a Assign Mobile Tax Sale Certificate of Purchase on Permanent Parcel No. 30-059-0003

Welch stated the two resolutions concern two mobile homes which were not purchased in tax sale and, after waiting the prescribed two and a half years, were auctioned off to new owners.

MOTION by Weibel to approve the Resolution Authorizing the County Board Chair to a Assign Mobile Tax Sale Certificate of Purchase on Permanent Parcel No. 30-058-0016 and the Resolution Authorizing the County Board Chair to a Assign Mobile Tax Sale Certificate of Purchase on Permanent Parcel No. 30-059-0003; seconded by Wysocki. **Motion carried.**

Welch informed the committee the General Corporate Fund balance as of today was negative by \$50,000 and the accounts payable for tomorrow will be another \$200,000. He stated the General Corporate is living off of the capital fund. The General Corporate Fund borrowed \$1.5 million from the Public Safety Sales Tax Fund that has not been paid back yet.

AUDITOR
Purchases Not Following Purchasing Policy

The Auditor was not present at the meeting and no list of purchases not following the Purchasing Policy was provided.

Monthly Report – July 2008

MOTION by Wysocki to receive and place on file the Auditor's July 2008 monthly report; seconded by Weibel. **Motion carried.**

CHAIR'S REPORT

There was no Chair's Report.

OTHER BUSINESS
Elimination of Animal Control Part-Time Clerk Position

MOTION by Weibel to eliminate the part-time Animal Control Clerk position; seconded by Wysocki.

Wysocki asked if they were eliminating an employee. Joos explained the action would eliminate a part-time position. Animal Control currently employs a full-time Clerk and a part-time Clerk. The part-time Clerk works Saturdays and Sundays and from 3:00 to 6:00 p.m. on Mondays, Thursdays, and Fridays. When Joos was planning the Animal Control budget, Busey asked all department heads to come up with a plan to save some money within their budgets. The Animal Control Department could save about \$13,000 by eliminating the position, being closed on Sundays, and changing the hours to 8:00 to 5:00 on Monday through Saturday. When the Animal Control Facility was created in 2005, it was unknown what hours of operation would be preferable. Joos has been closely monitoring the activity during business hours. There has almost no business after 5:00 p.m. at the facility, especially during winter. There were very few customers coming to the facility on Sundays. This change would not alter the Animal Control services, there would still be two Animal Control Officers from Sunday from 7:00 a.m. to 7:00 p.m., so emergency situations could be accommodated. Joos currently has three Officers at work on Wednesdays, but only two vans, so one Officer does paperwork in the office. Joos thinks this Officer can be better utilized by covering the front desk on Mondays, when the full-time Clerk has a day off.

Nudo asked if the full-time Clerk would be working six days a week. Joos answered no, the Clerk is off on Sundays and Mondays.

Jones commended Joos for taking the time to examine the efficiency of her department and making the effort to save the County money. Wysocki would have bet good money that most people do not realize the Animal Control Department has services available on the weekends; she described a recent experience with a stray cat. Joos said the department provides a lot of service on Saturdays and is accessible, plus the Animal Control Officer can respond on Sundays. She thought it was a valid point that people might be unaware that Animal Control is available on Sundays. Busey pointed out that the Animal Control Fund is down to a \$50,000 fund balance. Next year's budget looks to have about an \$80,000 - \$90,000 deficit because it is prepared with full expenses budgeted. Busey knows Joos will manage that budget as she has done each year, managing to bring in revenues and expenditures so they just about match. But it is not a substantial fund balance, especially with salaries going up and fixed fees as a revenue source. Busey indicated this is a wise decision to help relieve of the pressure on the budget.

Motion carried.

Semi-Annual Review of Closed Session Minutes

Susan McGrath had sent a recommendation that all the closed session minutes remain closed.

MOTION by Richards or all closed session minutes to remain closed; seconded by Weibel. **Motion carried.**

DESIGNATION OF ITEMS TO BE PLACED ON COUNTY BOARD CONSENT AGENDA

McGinty designated agenda items 6A-K, 8A, 10B-C, and 13A for the consent agenda.

ADJOURNMENT

Meeting adjourned at 7:44 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.