

CHAMPAIGN COUNTY BOARD
COMMITTEE MINUTES

FINANCE COMMITTEE

Thursday, March 5, 2009

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

MEMBERS PRESENT: Tom Betz, Brad Jones, Brendan McGinty (Chair), Steve Moser, Steve O'Connor, Michael Richards, Giraldo Rosales, Barbara Wysocki

MEMBERS ABSENT: Chris Doenitz

OTHERS PRESENT: Kat Bork (Administrative Secretary), Deb Busey (County Administrator of Finance & HR Management), Tony Fabri (Auditor), Alan Nudo (County Board Member), Dan Welch (Treasurer)

CALL TO ORDER

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

ROLL CALL

Bork called the roll. Betz, Jones, McGinty, Moser, O'Connor, and Wysocki were present at the time of roll call, establishing the presence of a quorum.

APPROVAL OF AGENDA/ADDENDUM

MOTION by Jones to approve the agenda and addendum; seconded by Wysocki. **Motion carried with all ayes.**

APPROVAL OF MINUTES

MOTION by Betz to approve the Finance Committee minutes of February 5, 2009; seconded by Wysocki. **Motion carried with all ayes.**

PUBLIC PARTICIPATION

There was no public participation.

BUDGET AMENDMENTS/TRANSFERS

Budget Amendment #09-00021

MOTION by Wysocki to recommend to the County Board approval of Budget Amendment #09-00021 from Fund 075 Regional Planning Commission – Department 791 Federal Emergency

Management Agency-Odd Year for increased appropriations of \$3,000 for the Emergency Shelter/Utilities line with increased revenue of \$3,000 from the Home Security-Emergency Food/Shelter line; seconded by Betz.

Busey confirmed the budget amendment was revenue neutral and did not affect the General Corporate Fund.

Richards entered the meeting at 7:02 p.m.

Motion carried with all ayes.

Budget Amendment #09-00024, Budget Amendment #09-00022, Budget Amendment #09-00025, and Budget Amendment #09-00026

Busey explained agenda items 6B, C, D and F were amendments required by the resolution amending the General Corporate Fund budget the County Board approved in February. These amendments increase appropriations to transfer monies from other funds to the General Corporate Fund as agreed by the respective department heads. The Treasurer will use his Tax Sale Automation Fund to pick up \$15,000 of a salary that was previously paid out of the General Corporate Fund. The Recorder is moving a staff position to the Recorder Automation Fund so the money can be cut from the General Corporate Fund.

MOTION by Jones for an omnibus motion to recommend to the County Board approval of Budget Amendment #09-00024 from Fund 659 County Jail Medical Costs – Department 140 Correctional Center for increased appropriations of \$100,000 for the To General Corporate Fund 080 line with no increased revenue;
Budget Amendment #09-00022 from Fund 619 Tax Sale Automation Fund – Department 026 County Treasurer for increased appropriations of \$15,000 for the Regular Full-Time Employees line with no increased revenue;
Budget Amendment #09-00025 from Fund 614 Recorder’s Automation Fund – Department 023 Recorder for increased appropriations of \$22,888 for the Regular Full-Time Employees line with no increased revenue; and
Budget Amendment #09-00026 from Fund 618 Probation Services Fund – Department 052 Court Services-Probation for increased appropriations of \$86,000 for the To General Corporate Fund 080 line with no increased revenue. The motion was seconded by Betz.

Wysocki asked if there was sufficient money in the Tax Sale Automation Fund and Recorder Automation Fund to cover the cost of the staff positions. Busey confirmed there was or those elected officials would not have offered this as part of the solution to the General Corporate Fund shortfalls.

Motion carried with all ayes.

Budget Amendment #09-00023

MOTION by Wysocki to recommend to the County Board approval of Budget Amendment

#09-00023 from Fund 089 County Public Health Fund – Department 049 Board of Health for increased appropriations of \$14,583 for the To Mental Health Fund 090 line with no increased revenue; seconded by Richards. **Motion carried with all ayes.**

Rosales entered the meeting at 7:06 p.m.

Budget Amendment #09-00027

Busey asked to withdraw Budget Amendment #09-00027 for Kirk Bedwell's contract. She explained Bedwell's continued consulting services for the JANO project in the courts system was budgeted for through February 2009 in the Public Safety Sales Tax Fund with 100% reimbursement coming from Probation Service Fees. The governing board for the criminal justice information system has elected to continue Bedwell's services upon the County Board's approval. This continued employment would have been reflected in Budget Amendment #09-00027 and Bedwell would have been paid out of the Court Automation Fund and a transfer from Probation Service Fees. There is a question about the transfer with AOIC, hence the withdrawal of the amendment. Judge Shonkwiler has approved employing Bedwell for two more years to complete the scope of work. An explanation of the scope of work was provided in the agenda packet. The County still needs to pay Bedwell for March and April, so Busey distributed a budget amendment that she requested be placed directly on the March County Board agenda. The amendment would pay Bedwell out of the Public Safety Sales Tax Fund with full reimbursement coming from the Probation Service Fees. She expected Budget Amendment #09-00027 would be brought back in April.

Wysocki expressed that the JANO Project seemed never ending. Busey confirmed the County had been contracting for Bedwell's services for six years and three months. Busey compared the situation to when the County purchased the Kronos timekeeping/payroll management system. The County IT Department had a programmer that was entirely focused on the implementation of the project during the two-year period it took to bring Kronos up and running. Three years later, this programmer still spends 100% of his time on Kronos. Busey was sure the justice system would need an additional IT position in some form to maintain those six departments and the software technology. The departments are still going through the first year of implementation and the final sign-off with the vendor has not been completed. Over the next two years, the expectation is the departments' ongoing needs with the JANO System and how those needs can be addressed by the County's IT Department will be identified. Busey did not think the Court Automation Fund or Probation Service Fees could maintain funding for this position over the long-term period. Judge Shonkwiler, who has a say in how both funds are spent, has indicated that he could agree to this expenditure for two years, but the courts system will have to resolve how to address it after that point. The JANO Project took a great deal longer to complete than was originally scheduled. Wysocki asked for verification that all of the courts system departments were live with JANO, which Busey confirmed. It is expected that the County will sign-off on post-live acceptance within a month or two, when the remaining issues with JANO are finished. Wysocki inquired if the long-range plan was to add a new IT staff person to support the criminal justice system, which Busey also confirmed. Wysocki wondered whether the County needed Bedwell's services for two years. Busey explained that was how long they thought it will take for Bedwell to

complete the scope of work document. There was no objection from the committee for the emergency budget amendment to be placed on the March County Board agenda.

CIRCUIT COURT

Request for Change in Staffing Budget

Busey described the Circuit Court request for a change in its staffing budget. For over a year, the Circuit Court has been asking to add another Court Clerk position because they tend to have difficulty covering all the courtrooms and managing the volume of work. There is no money to add a position, so the Circuit Court is requesting to change the Administrative Legal Secretary position to a Court Clerk position. This would require the elimination of one position and the creation of another. Both positions are in the AFSCME bargaining unit and are classified in the same grade range. Tara McCauley, the AFSCME representative, and the incumbent employee have agreed to the change. Wysocki asked if the new Court Clerk would be the same employee who was formerly an Administrative Legal Secretary. Busey stated it would be the same person and both positions have the same basic skill sets.

MOTION by Betz to approve the requested staffing change to the Circuit Court; seconded by Rosales. **Motion carried with all ayes.**

COUNTY ADMINISTRATOR

General Corporate Fund FY2009 Revenue/Expenditure Projection Report

Busey distributed her reports to the committee. She spoke about how it is still too early in the fiscal year to be projecting revenue for the entire year. The report reflects the budget changes approved in February. The Quarter Cent Sales Tax was down 2.6% for receipts in November and down 3.9% for October receipts. The decline in Quarter Cent Tax will still achieve the amended FY2009 revenue projections. The One Cent Sales Tax was up 43.4% for October receipts, which skews the trend analysis, and flat for November receipts.

Betz asked Busey to account for the 43.4% increase in October. Busey attributed it to farmers, who had an extremely good harvest, buying a lot of farm implements and equipment in October. Moser said farmers purchased a lot in November and December because the deductible amount for taxes was raised.

Busey reported income tax revenue looks basically flat, but this revenue could end lower than even the adjusted amount when the amended budget was adopted last month. The General Government line looks as though it will come in \$493,000 more than budgeted, but Busey was concerned about this number and urged the committee not to put much stock in it. The numbers will be more dependable starting next month. It currently looks like the General Corporate Fund will spend 100% of its budget, which is pretty tight. Busey thought the Regular Salaries and Wages line will drop in reflection of the fact that some employees left in the early part of the year. Paying out fringe benefits for exiting employees is always an expense. All of the funding for the vacant positions has been cut. The summary indicated the General Corporate Fund could add \$410,414 to the fund balance based on projections.

General Corporate Fund Budget Change Report

This report includes the changes made to-date to the General Corporate Fund Budget.

Moser asked if there would be a \$700,000 increase in property taxes for FY2009. Busey stated Moser was looking at the difference between actual FY2008 amount and the FY2009 budgeted amount. Moser asked how much it would increase for FY2010. Busey said her current estimates, based on the CPI factor and assuming 3% growth in the levy, show the total property tax would increase 1.8% in FY2010.

MOTION by Betz to receive and place on file the County Administrator's report on the General Corporate Fund; seconded by Wysocki. **Motion carried.**

Busey stated the IMRF Board met last Friday and she received the FY2010 rate information. The rate increase for regular IMRF will be 21% and the rate increase for SLEP will be 9%. The ECH rate will drop 0.8%. Busey requested to submit two loans authorizations directly on the March County Board agenda because they were not ready in time to be placed on the addendum. The General Corporate Fund is going to need more cash to make it through the end of May and Busey is requesting to borrow \$200,000 from the Recorder Automation Fund and \$200,000 from the Courts Document Storage Fund. The loans will be repaid within ninety days and the funds will be repaid first when the property tax monies are received. There was no objection from the committee to placing the loan authorizations directly on the March County Board agenda.

NURSING HOME

Financial Report on the Nursing Home

There was no Nursing Home report because the Board of Directors meeting was pushed back a week.

TREASURER

Monthly Report

Welch distributed his report to the committee. He looked into Nudo's suggestion from last month about whether there was a way to obtain a sales tax information preview. He asked the Department of Revenue and was told there is no way to preview the information. Nudo said he met with Steve Carter who thought they could poll major retailers to get flash numbers at the end of the month. Welch reported the General Corporate Fund had to borrow the last \$90,000 in loan authority from the Public Safety Sales Tax Fund in the first week of March. The General Corporate Fund has borrowed a total of \$2,590,000 from other funds this year. Today's General Corporate Fund balance was negative \$442,000 after accounts payable. The combination of other funds in the same bank account has prevented the account itself from being negative. On the last page of his report, Welch provided charts showing the revenue General Corporate Fund will receive, what it is spent on, and what departments are spending it. The justice and public safety departments expend 62% of the General Corporate Fund budget. He provided further information about weekly accounts payable. He and Busey have tried to project for the next few months and have been working on ways to manage the cash flow. Busey explained they have changed how the General

Corporate Fund is reimbursed by the Public Safety Sales Tax Fund for the utilities costs of the public safety buildings. Historically, PSST reimbursed GCF at the end of the year in one lump sum, but it is now reimbursing GCF on a monthly basis to get more money into the fund. All of the outstanding FY2008 and FY2009 GCF expenses have been requisitioned.

Moser asked if Welch had any idea how federal stimulus money will be funneled into local governments. Welch did not have any information on stimulus money. Busey believed some of the stimulus money will come through the Regional Planning Commission for specific projects. It is expected that \$600,000 will be received for local roads projects. Moser asked if there was anything in the stimulus bill that would help the General Corporate Fund balance. Busey indicated there was none.

MOTION by Rosales to receive and place on file the Treasurer's February 2009 monthly report; seconded by Betz. **Motion carried.**

AUDITOR

Purchases Not Following Purchasing Policy

Fabri did not provide a list of purchases not following the Purchasing Policy and stated something would be presented to the County Board. Fabri wanted the Finance Committee to be aware that the state sales tax and motor fuel tax are not being credited back to the County on the monthly statements for gasoline purchases on the Exxon Mobile credit cards by various County departments. Exxon's position is Champaign County is not tax exempt for state sales or motor fuel taxes. Fabri spoke to Senator Frerichs about this issue and is working with the State Department of Revenue along with David DeThorne in the State's Attorney's Office. The lack of this tax exemption could cost the County tens of thousands of dollars over the course of a year.

Monthly Report for January 2009

MOTION by Betz to receive and place on file the Auditor's January 2009 monthly report; seconded by Rosales.

Wysocki asked if the CAFR report came out this month. Busey stated it did not. Fabri noted last year's CAFR received a certificate of excellence.

Motion carried.

CHAIR'S REPORT

There was no Chair's report.

OTHER BUSINESS

Semi-Annual Review of Closed Session Minutes

Busey stated the semi-annual review of closed session minutes has been deferred at the other committee minutes because the Assistant State's Attorney did not review the minutes.

MOTION by Wysocki to defer the semi-annual review of closed session minutes to April; seconded by Richards. **Motion carried.**

DESIGNATION OF ITEMS TO BE PLACED ON COUNTY BOARD CONSENT AGENDA

McGinty designated agenda items 6A-F and 7A for the consent agenda.

ADJOURNMENT

Meeting adjourned 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.