

Approved 6/13/2017

**CHAMPAIGN COUNTY BOARD  
COMMITTEE OF THE WHOLE MINUTES**

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**Finance; Policy, Personnel, & Appointments; Justice & Social Services  
Tuesday, May 9, 2017  
Lyle Shields Meeting Room**

**MEMBERS PRESENT:** Christopher Alix, Jack Anderson, Brad Clemmons, Lorraine Cowart, , Aaron Esry, Jim Goss, Stan Harper, Josh Hartke, Matt Hiser, Robert King, Brooks Marsh, Jim McGuire, Diane Michaels, Max Mitchell, Kyle Patterson, Patti Petrie, Jon Rector, Giraldo Rosales, Stephen Summers, C. Pius Weibel

**MEMBERS ABSENT:** Shana Crews, James Tinsley

**OTHERS PRESENT:** John Farney (Auditor), Tami Ogden (Deputy County Administrator/Finance), Kay Rhodes (Administrative Assistant), Rick Snider (County Administrator), Dan Welch (Treasurer)

**CALL TO ORDER**

Weibel called the meeting to order at 6:31 p.m.

**ROLL CALL**

Rhodes called the roll. Alix, Anderson, Clemmons, Cowart, Esry, Goss, Harper, Hartke, Hiser, King, Marsh, McGuire, Michaels, Patterson, Petrie, Rector, Rosales, Summers, and Weibel were present at the time of roll call, establishing the presence of a quorum.

**APPROVAL OF AGENDA/ADDENDA**

**MOTION** by Hartke to approve the Agenda/Addenda as amended; seconded by Anderson. Weibel removed VIII. D4 – Reorganization Plan and IX. D5 - Budget Amendment 17-00011. **Motion carried with unanimous support.**

**APPROVAL OF MINUTES**

**MOTION** by Goss to approve the minutes of April 11, 2017; seconded by Rector. **Motion carried with unanimous support.**

**PUBLIC PARTICIPATION**

There was no public participation.

## **COMMUNICATIONS**

Weibel asked committee members to please donate to the flower fund. Hartke noted that Tinsley could not attend the meeting due to a scheduling conflict.

## **JUSTICE & SOCIAL SERVICES**

### **Monthly Reports**

All reports were received and placed on file.

### **Other Business**

There was no other business.

### **Chair's Report**

Hiser indicated he would bring a resolution to the committee next month concerning the extension of the Racial Justice Task Force term in order to complete their report to the County Board.

## **POLICY, PERSONNEL, & APPOINTMENTS**

### **Appointments/Reappointments**

**MOTION** by Weibel to recommend County Board approval of a resolution appointing Paul J. Sailor to the Board of Review, term 6/1/2017-5/31/2019; seconded by Esry. **Motion carried with unanimous support.**

**MOTION** by Weibel to recommend County Board approval of a resolution appointing Mike Larson to the Sangamon Valley Public Water District, term 6/1/2017-5/31/2022; seconded by Cowart. **Motion carried with unanimous support.**

**MOTION** by Weibel to recommend County Board approval of a resolution appointing Mark Richardson to the Penfield Water District, term 6/1/2017-5/31/2022; seconded by Michaels. **Motion carried with unanimous support.**

**MOTION** by Weibel to recommend County Board approval of a resolution appointing Thomas Zindars to the Dewey Community Public Water District, term 6/1/2017-5/31/2022; seconded by Hiser. **Motion carried with unanimous support.**

**MOTION** by Weibel to recommend County Board approval of a resolution appointing Ladell Myrick to the Urbana-Champaign Sanitary District Board, term 6/1/2017-5/31/2020; seconded by Hartke. **Motion carried with unanimous support.**

Mitchell entered the meeting at 6:48 p.m.

### **County Board of Health**

## **Committee of the Whole**

*Finance; Policy, Personnel, & Appointments; Justice & Social Services*

*Tuesday, May 9, 2017*

*Page 3*

---

### Ordinance Amending Fees

**MOTION** by Hartke to recommend County Board approval of an ordinance amending fees under the health ordinance of Champaign County; seconded by Weibel.

Julie Pryde, CUPHD Administrator gave a short presentation on questions raised by County Board members at a previous meeting regarding the proposed amendment to fees under the County Health Ordinance.

Pryde pointed to the County Health Ordinance No. 969; Article 12.2.1 Recovery of Costs: Except where specified by Statute, the BOARD OF HEALTH shall set fee amounts that recover, on average and in the aggregate, as much as possible of the full cost, including fully apportioned indirect expenses, incurred in providing a specific service or of administering and enforcing specific provisions of this ordinance, without the fees being, in the judgment of the BOARD OF HEALTH, unduly burdensome or so high that they would discourage compliance or conflict with the purposes of this ordinance. Pryde explained that the County Board of Health had worked with the public health staff for two-years to determine an appropriate fee structure that more than adequately covered costs.

Pryde referred to Article 12.1.3 Review of Fee Schedules: The BOARD OF HEALTH shall annually, prior to preparation of its annual report, review the fee schedule to determine its sufficiency and its efficacy in promoting the purposes of this ordinance with respect to the criteria established in Subsection 12.2.1. She explained that it had been almost twenty years since fees had been revised.

Pryde stated that the current fees were set in 1998. County tax dollars are currently subsidizing private homeowners and private businesses for the construction of their private sewage disposal systems because the fees do not cover the costs.

McGuire asked what the revenue from the tax levy paid for and what are the costs related to inspections for sewage disposal systems. Pryde referred to the chart in the packet in which she had listed the current fees, inflation, and the proposed fees. She explained that the vast majority of the revenue goes towards staffing and operations. Many items are covered by the local health protection grant because they are significant to the protection of public health and fees are not charged. Pryde explained that it was necessary to maintain a large fund balance in order to respond to any communicable diseases in the County. Pryde said the former County Administrator had suggested a reserve fund balance of 25%. Discussion followed.

Alix felt that the CUPHD staff and the County Board of Health had worked on the proposed amended fee schedule extensively and he supported their work. McGuire said the fund balance continues to grow without any fee increases and he would not support it.

**Motion failed with a roll call vote of 10-10.** Cowart, Hartke, Hiser, King, Patterson, Petrie, Rosales, Summers, Weibel, and Alix voted in favor of the motion. Esry, Goss, Harper, Marsh, McGuire, Michaels, Mitchell, Rector, Anderson, and Clemmons voted against it.

### County Clerk

The April 2017 report was received and placed on file.

### County Administrator

#### Monthly HR Report

The April report was received and placed on file.

#### Elected Official Recertification of IMRF Eligibility

**MOTION** by Goss to recommend County Board approval of a resolution authorizing recertification of IMRF eligibility for elected officials; seconded by Anderson.

Snider explained that the Illinois Municipal Retirement Fund (IMRF) Board of Trustees had implemented changes to its rules to coincide with the adoption of Public Act 99-900 by the General Assembly. The County Board must recertify every two years that elected positions participating in IMRF meet the hourly standard for duties performed of 1,000 hours per year. These positions would be barred from future participation in IMRF without this bi-annual recertification. Snider recommended that following the adoption of this resolution that a resolution should be adopted in December following the bi-annual election of county officers. The next resolution should be adopted in December 2018 after the November 2018 election.  
**Motion carried with unanimous support.**

#### Nursing Home Temporary Job Descriptions

Snider discussed the Nursing Home temporary job descriptions for Administrator and Operations Manager. He explained these descriptions were also presented to the Nursing Home Board of Directors at their meeting on May 8, 2017. Snider said the proposed job descriptions split the areas of responsibility in much of the same way as the responsibilities were split between the management company and the nursing home administrator.

Rector asked if consideration had been given to having these responsibilities carried out through a contract and not necessarily a county employee. Michaels voiced concerns as well. Snider felt this was the most expeditious way to get management personnel in place because MPA's contract expires at the end of June 2017. He noted that a request for approval of an RFI for management and consulting services for the nursing home was listed under the Finance portion of the agenda. Snider also pointed out that the proposed job descriptions were for temporary positions.

Petrie encouraged more specifically defined roles for these positions. Snider agreed and stated that he had already received feedback from some of the members of the Nursing Home Board of Directors. He welcomed further input from the County Board members.

#### Other Business

There was no other business.

#### Chair's Report

Rosales announced the County Board appointments expiring in June 2017 for the committee's information: Developmental Disabilities Board – 1; Forest Preserve District Board – 1; County Board of Health – 2; and various cemetery boards & associations – 1-each.

Designation of Items to be Placed on the Consent Agenda

Items A1-5 and D2 were designated for the Consent Agenda.

The committee took a short break at 7:56 p.m. and resumed at 8:03 p.m.

**FINANCE**

Treasurer

The Treasurer's report of April 2017 was received and placed on file.

Cash Flow Projection Report

Welch explained that at the close of business May 9, 2017, the nursing home's cash balance was \$240,000. He added that this week was a payroll week and the average payroll for the nursing home is \$237,000. Welch explained that the last payroll was \$228,000 however, for purposes of the projection report he used the average of \$237,000. He stated that the Accounts Payables average for the nursing home is approximately \$487,000. The nursing home's real estate levy is approximately \$1,206,000 and the nursing home has already borrowed \$1,021,757 in the form of tax anticipation warrants. The nursing home also received a \$150,000 advance from the real estate taxes for purposes of payroll. Welch stated that in essence, the nursing home has already used up the revenue from the real estate levy. He projected the ending cash balance for the month of May 2017 to be at \$24, 617.

Welch pointed out that the County Board had also authorized a loan, if necessary, from the General Corporate Fund of \$250,000. It had not been used yet, nor had the General Corporate Fund borrowed the pre-authorized amount of \$1.5 million from the Public Safety Sales Tax Fund. This also has not become necessary yet, but if the nursing home utilizes the loan of \$250,000, it will become necessary.

Welch asked the committee to consider how far into the General Corporate Fund that they were willing to go in order to support the nursing home. Welch invited committee members to stop by his office anytime and he would be happy to answer any questions they may have because he was extremely concerned about the situation. The worst-case scenario would be for the nursing home to close. Discussion followed.

Auditor

The Auditor's report of April 2017 and Quarterly Financial report were received and placed on file. Farney updated the committee on the Accounts Payable for the nursing home as of May 5, 2017. The nursing home owes a total of \$2,916,969 to its vendors. Farney explained that the County was owed the greatest amount, broken down below:

General Corporate Fund	\$211,652.14
Highway Fund	\$ 1,737.38
IMRF Fund	\$166,455.16

## Committee of the Whole

Finance; Policy, Personnel, & Appointments; Justice & Social Services

Tuesday, May 9, 2017

Page 6

---

Social Security Fund	\$160,711.22
Self-Funded Insurance Fund	\$ 31,316.99

Farney continued that the nursing home is obligated in the form of a loan from the General Corporate Fund for \$226,802. This loan was used for boiler repair/replacement. The nursing home has not made its FY2016 debt service reimbursement to the General Corporate Fund for \$262,114. This brings the total obligation to Champaign County from the nursing home to \$1,060,788.89. This total is an increase of \$112,818.39 from March 31, 2017.

The following vendors are owed above \$100,000:

HealthPro Rehab Services (rehabilitation services)	\$433,261.55
Uvanta Pharmacy (resident pharmaceuticals)	\$439,370.70
Professional Medical Supply (operational supplies)	\$297,744.82
HFS/Bureau of Operations (State bed tax, fees)	\$197,637.00
Medical Staffing Services (contract nursing)	\$188,338.61
Diamond Brothers (liability insurance)	\$133,877.68
Health Care Services Group (dietary)	\$172,890.91

### Nursing Home Financial Report

The nursing home monthly financial report was received and placed on file.

### Budget Amendments/Transfers

**MOTION** by Michaels to recommend County Board approval of a resolution authorizing **Budget Amendment 17-00007** for Fund/Dept. 476 Self-funded Insurance/118 Property/Liability Insurance with increased appropriations of \$235,550 and matching revenue to pay 2017 unemployment insurance premium and to receive revenue from department billings; seconded by Goss. **Motion carried with unanimous support.**

**MOTION** by Rector to recommend County Board approval of a resolution authorizing **Budget Amendment 17-00008** for Fund/Dept. 105 Capital Asset Replacement/059 Facilities Planning with increased appropriations of \$123,037 and increased revenue of \$18,550 for FY2017 capital asset projects; seconded by Cowart. **Motion carried with unanimous support.**

**MOTION** by Cowart to recommend County Board approval of a resolution authorizing **Budget Amendment 17-00009** for Fund/Dept. 303 Court Complex Construction/010 County Board with increased appropriations of \$24,062 and no matching revenue to re-encumber funds for ADA improvements at courthouse not completed in FY2016; seconded by Michaels. **Motion carried with unanimous support.**

**MOTION** by Esry to recommend County Board approval of a resolution authorizing **Budget Amendment 17-00010** with increased appropriations of \$74,323 and no matching revenue to re-encumber funds for architectural expenses and ADA improvements not paid or completed in FY2016; seconded by King. **Motion carried with unanimous support.**

State's Attorney

**MOTION** by Esry to recommend County Board approval of a resolution authorizing the renewal and amendment of an intergovernmental agreement between the Illinois Department of Healthcare and Family Services and the Champaign County States Attorney, term July 1, 2017-June 30, 2018; seconded by Hiser. **Motion carried with unanimous support.**

County Administrator

FY2017 General Corporate Fund Budget Projection Report

Snider stated that the largest change from previous reports was that the expected revenue from the hospital property taxes had been removed. Ogden added that Fees and Fines revenue continues to drop and Rent and Royalties has an anticipated decline due to the loss of rental income for part of ILEAS due to mold. The Fund Balance projection for the end of the year is \$4,219, 931 or 11.7%, which falls below the fund balance goal of 12.5%.

Ogden added that the Auditor's office is working to establish a separate fund for the Foreclosure Mediation program will have a projected fund balance impact of -\$52,000. A budget amendment establishing the fund is expected to come to the County Board next week, and a subsequent amendment will go to the Committee of the Whole in June in order to move the funds. The impact of this transfer of funds will bring the projected fund balance down to 11.5%.

The report was received and placed on file.

Champaign County Financial Policies

**MOTION** by Michaels to recommend County Board approval of a resolution adopting the Champaign County Financial Policies; seconded by Goss.

Snider reviewed the changes for the committee. The addition of an introduction section identifies the purpose of the financial policies and refers to other relevant policies.

Implementation of a fund balance target for the General Corporate Fund of 60-days or 16.5% of operations is recommended. The Government Finance Officers Association (GFOA) best practice is no less than 2-months of operating expenditures.

Clarification is provided regarding the basis of budgeting, which is a modified accrual basis. The prior policy indicated that the budget policies complied with generally accepted accounting principles (GAAP); however, the budget is not entirely consistent with GAAP because proprietary fund budgets are not on a full accrual basis.

During the last GFOA budget review, it was recommended that the county revise its definition of a balanced budget. The recommended definition allows for revenues to exceed total appropriations within an individual fund; whereas the current definition indicates that revenues and expenditures must be "equal" in order for the budget to be balanced, and does specify that the balanced budget requirement applies to individual funds. The proposed definition reads, "A

## **Committee of the Whole**

*Finance; Policy, Personnel, & Appointments; Justice & Social Services*

*Tuesday, May 9, 2017*

*Page 8*

---

budget is balanced when total appropriations do not exceed total revenues and appropriated fund balance within an individual fund."

The county has been unable to fund future reserves since 2008. While it is important to recognize the diminishing fund balance and identify the county's inability to fully fund the CARF, the lack of reserve funding makes it even more essential for the county to identify required appropriations for future fiscal years. It is recommended that full funding for reserves be estimated and documented, and a five-year forecast for capital asset replacement be developed and updated annually.

Prior policy allowed for no more than 3% of the total General Fund appropriations to be appropriated to the CARF. Illinois statute allows for no more than 3% of the equalized assessed value of property subject to taxation by the county to be accumulated in a separate fund for capital improvements.

Lastly, the Treasurer is authorized to make short-term inter-fund loans with County Board approval. The current policy specifies that such loans are to be paid back with interest. However, it is not required by state statute. Snider recommended removal of the interest requirement. **Motion carried with unanimous support.**

### FY2018 Budget Process

**MOTION** by Goss to recommend County Board approval of a resolution authorizing the FY2018 budget process; seconded by Weibel. **Motion carried with unanimous support.**

### RFI 2017-004 for Property Brokerage and Consulting Services

**MOTION** by Rector to approve the release of RFI 2017-004 for Property Brokerage and Consulting Services for the Sale or Transfer of the Champaign County Nursing Home; seconded by Anderson. **Motion carried with a roll call vote of 15-5.** Cowart, Esry, Goss, Harper, Marsh, McGuire, Michaels, Mitchell, Petrie, Rector, Summers, Weibel, Alix, Anderson, and Clemmons voted in favor of the motion. Hartke, Hiser, King, Patterson, and Rosales voted against it.

### RFP 2017-005 for Management and Consulting Services

**MOTION** by Esry to approve the release of RFP 2017-005 for Management and Consulting Services for the Champaign County Nursing Home; seconded by Michaels. **Motion carried unanimously with a roll call vote of 20-0.**

### Other Business

There was no other business.

### Chair's Report

There was no Chair's report.

Designation of Items for the Consent Agenda

Items D1-4; E1; F2-3 were designated for the Consent Agenda.

**OTHER BUSINESS**

There was no other business.

**ADJOURNMENT**

Chair Weibel adjourned the meeting at 10:03 p.m.

Respectfully submitted,

Kay Rhodes,  
Administrative Assistant

*Please note the minutes reflect the order of the agenda and may not necessarily reflect the order of business conducted at the meeting.*