

## CHAMPAIGN COUNTY BOARD COMMITTEE MINUTES

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### Finance Committee

April 20, 2006 – 6:00 p.m.

Meeting Room 2, Brookens Administrative Center

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

MEMBERS ABSENT: Bensyl

OTHERS PRESENT: Deb Busey, John Dimit, Larry Sapp,

### Call to Order

Chair McGinty called the meeting to order at 6:00 p.m. The recording secretary called the roll. Declaring a quorum present, the chair proceeded with the meeting.

### Approval of Agenda/Addendum

MOTION by Betz to approve the agenda; seconded by Doenitz. There was no addendum for the meeting. Motion carried.

### Public Participation

There was no public participation.

### Budget Amendments/Transfers

#### Budget Amendment #06-00047

MOTION by Wysocki to recommend County Board approval of Budget Amendment #06-00047; seconded by O'Connor.

Mr. Betz asked what caused the exceeding of the contract. Mr. Dimit explained this is not exceeding the contract but more a matter of timing. The revenue came in, in 2005, and they thought there would be a bill paid to the contractor in 2005. It is being paid out of 2006, which is not something they could have anticipated for when preparing the original documents. He stated this is for the aerial photography project and they are within the original agreed upon contract, which was in the amount of \$130,000. He explained that at the end of the project they anticipate being slightly below contract. This represents the final payment. When asked if this is all County money Mr. Dimit explained this is consortium money.

Motion carried.

**Budget Amendment #06-00048**

MOTION by Betz to recommend County Board approval of Budget Amendment #06-00048; seconded by Tapley.

Mr. Dimit explained this is for the Topography Project and is also, a result of timing issues.

**Motion carried.**

**Budget Amendment #06-00049**

MOTION by Tapley to recommend County Board approval of Budget Amendment #06-00049; seconded by Doenitz.

Ms. Busey explained when they prepared the 2006 budget for the Nursing Home Construction Project, in 2005; they were estimating how much work would be done in 2005 and what the balance would be in 2006. This represents increasing the appropriations in the 2006 budget to match the budget that has been approved by the Illinois Health Facilities Planning Board and IDPH for the Nursing Home Construction Project. She explained the committee is budgeting this to pay for the mold and although this would overdraw the nursing home construction fund, it is in combined funds so there is cash available to pay these bills if they are paid before the committee deals with the remediation. The amount coming out of Fund 080 will be about the cost of the mold.

Mr. Tapley stated someone at the Republican Caucus mentioned investment loss on bond proceeds and asked Ms. Busey to explain. Ms. Busey explained the original budget for the Nursing Home Construction Project estimated interest earnings similar to the interest earnings from the Courts Construction Project. At the time we didn't know how substantially the interest was going to change. Mr. Tapley asked if this was bid out to guarantee the interest earnings. Ms. Busey stated this is estimated interest earning internal to the County which was estimated at \$1 million or \$1.5 million and it came in at \$700,000. The total cash shortfall is about the amount of the mold at this point, which is 1.5 million.

Mr. Doenitz asked if the money is available for the parking lots. Ms. Busey stated there is more than the amount of the bid for the asphalt in the project budget.

Ms. Gross arrived at 6:10 p.m.

Ms. Busey stated without the mold, we didn't have the total amount left budgeted in this year's budget because we underspent what we had last year and when this year's budget was calculated, it was calculated to match exactly. \$1.7 million of this is mold; the rest is from unappropriated, unspent budget for this project.

Mr. Betz stated we have to do this because we owe money to these people; we are amending to pay the bills we have already incurred. We still have the group of people working on solving the mold issue which means potentially we could get some money back. Mr. Tapley stated the General Corporate Fund is roughly at \$3 million and this will take another \$1.7 million out leaving the balance at \$1.3 million. Ms. Busey stated if it is not restored, that is correct.

Mr. Betz stated we have to pay our bills, we our obligated to do so. Mr. Tapley stated he agrees but the greater question is what we will do to pay our bills when the bank account says zero, which is rapidly approaching.

Mr. McGinty stated it will help if the committee can express the urgency of addressing financial situations to other board members who don't know the details.

Mr. Betz stated if we don't pay our bills we become a bad risk for others doing business with the County. There is no doubt that the mold issue will have some form of litigation but it is not acceptable to say we won't pay. Ms. Avery stated she agrees we have to pay our bills but we are in trouble and, as a committee, we need to come up with a plan. Mr. Tapley stated we are in a crisis and it is time to panic and suggested an emergency meeting or study session.

Ms. Busey stated the committee needs to focus on where the problems are, which was the point of the study session held last week. We have a large operation which is overspending on a daily basis and that is truly where the problem is. We also have a Capital Equipment Replacement Fund with a balance of about \$1 million as well as the Public Safety Sales Tax Fund which has a balance between \$3-4 million and in some counties those would all be viewed as part of the General Corporate Fund because they all go toward General Corporate Fund expenses.

Mr. Tapley stated his understanding was that we cannot touch the Public Safety Sales Tax Fund because of bond covenants. Ms. Busey stated they will see a presentation on debt and the seriousness is just as it has been stated, but she wanted the Finance Committee to be aware that the other funds are there, although she is not saying we should change what we use those other funds for. Ms. Avery asked if they could receive information about what funds we have and what their purposes are. Mr. Betz suggested the committee have a budget committee study session at which time we can look at the entire budget.

Mr. Tapley stated he has seen the balance in the General Corporate Fund rise and fall and he is still panicked. Mr. McGinty stated he will work with Ms. Busey to create strategies.

**Motion carried** with a 6/2 roll call vote. Voting yes were McGinty, Betz, Doenitz, Gross, Tapley, Wysocki. Voting no were Avery and O'Connor.

**Other Business**

Mr. Betz stated the committee needs to work together to find a time for a special meeting of the Finance committee.

**Adjournment**

Chair McGinty declared the meeting adjourned at 6:25 p.m.

Respectfully Submitted,

Tiffany Talbott  
Administrative Secretary