

Minutes of the Finance Committee

The Finance Committee of the McLean County Board met on Wednesday, March 4, 2009 at 4:00 p.m. in Room 400 of the Government Center, 115 East Washington Street, Bloomington, IL.

Members Present: Chairman Owens, Members Butler, Rackauskas, Moss, Caisley and O'Connor

Members Absent: None

Other Members Present: Members Hoselton, Segobiano, Wollrab, Ahart, Gordon and Nuckolls

Staff Present: Mr. John Zeunik, County Administrator; Mr. Terry Lindberg, Assistant County Administrator; Mr. Bill Wasson, Director, Administrative Services; and Ms. Judith LaCasse, Recording Secretary, County Administrator's Office

Department Heads/
Elected Officials
Present:

Ms. Jackie Dozier, County Auditor; Ms. Peggy Ann Milton, County Clerk; Mr. Don Lee, Director, Nursing Home; Mr. Robert Kahman, Supervisor of Assessments; and Ms. Becky McNeil, County Treasurer

Others Present: Mr. Chris Gramm, Bloomington resident; Mr. Dave Bentlin, Bloomington Resident; Ms. Michelle Anderson, Financial Reporting Specialist, County Auditor's Office

Chairman Owens called the meeting to order at 4:00 p.m.

Chairman Owens presented the minutes from the February 4, 2009 Finance Committee Meeting to the Committee for approval.

Motion by Moss/O'Connor to approve the Minutes of the February 4, 2009 Committee Meeting.
Motion carried.

Mr. John Zeunik, County Administrator, presented a request for approval of an Ordinance of the McLean County Board Amending Chapter 10 of the McLean County Code. He advised that at last month's County Board meeting, this matter was referred back to the Finance Committee for further review and comment. Mr. Zeunik stated that sections of the County's Personnel Code that were identified as being inconsistent or unclear with respect to the cited State or Federal Law are included in the Finance Committee agenda packet, along with necessary explanations and examples.

Mr. Zeunik asked Mr. Terry Lindberg, Assistant County Administrator, to review with the Committee, other Board members and members of the public the information that can be found in the packet. Thereafter, Mr. Bill Wasson, Director, Administrative Services will go through the specific provisions that are recommended to be changed.

Mr. Lindberg stated that pages 1 through 25 of the Packet deal with the matter at hand. He indicated that it is broken into the following three parts:

- Pages 1-6 deal with an explanation of the changes proposed and include the specific citation;
- Pages 7-17 of the Packet include actual copies of the laws that are cited on pages 1-6;
- Pages 18 through 25 are the actual underscored changes in the Personnel Ordinance.

Mr. Lindberg reminded everyone that the entire body of Chapter 10, the Personnel Ordinance, is about 65 pages long. The only sections between pages 18 and 25 of this packet are those sections that are affected by the changes being discussed today.

Mr. Wasson reviewed his memorandum that was included in the Packet relative to these amendments. He reminded members that the policies that are provided in the Personnel Ordinance are guidelines for decision-making, which provide employees and supervisors with guidance related to the rights and responsibilities that they have in the workplace.

Mr. Wasson indicated that in Section 10.10 "Statement of Policy," the term "Monitoring for compliance with State and Federal Employment and Labor Laws..." has been added. He indicated that this is a clarification of code terminology. The County Administrator's Office reviews general compliance with Personnel Policies relative to all departments, and, to clarify that, this sentence was inserted.

Mr. Wasson stated that, at the last County Board meeting, it was requested that clarification be provided with respect to these ordinances to assist Board members, employees and supervisors. He pointed out that a General Definition section has been added that uses, almost exclusively, definitions as provided in the Illinois Compiled Statutes, specifically the *Illinois Human Rights Act, 775 ILCS 51-103*.

Mr. Wasson referred to Section 10-11 "Equal Employment Opportunity," noting that there was a typographical error in preparation of this document. The terms "marital status" and "disability" need to be added into this section, as well as "marital status" from the Ordinance Proposal itself. The recommendation is to include those terms in the final document.

Mr. Wasson stated that there have been modifications in Section 10.12-1 "Specific Scope of Coverage" which have been inserted to attempt to clarify the responsibilities of elected officials relative to *Federal and State Employment and Labor Law*. The previous language had a broad exemption for elected officials. Mr. Wasson noted that the purpose of this modification is to bring clarification to the responsibilities that all County department heads have, including elected officials.

Mr. Wasson indicated that in Section 10.12-2 "Exclusion Procedure," the language was amended to further clarify the responsibilities of elected officials, and to set a time frame for elected officials to submit, as a portion of their annual budget process, a tabulation of conflicts between their own internal policies and the current County Personnel Policies. He stated that the budget process is the essential link between the County Board and elected officials. This provides an opportunity for the Administrator's Office to be aware of modifications to departmental policies and to prepare, if needed, for impacts that those policy changes may have upon County Government overall.

Mr. Wasson referred to Section 10.43-1 "Annual Training and Active Duty Leave." He indicated that, initially, the Administrator's Office proposed broader language for the following reasons:

- There is additional language within the County Personnel Code that supports and promotes military service for employees.
- People serving in the Military are fully aware of their rights and obligations for annual training.
- There have been and continue to be many changes.

Mr. Wasson noted that, after the County Board's request for clarification to Board members as well as employees and supervisors, the Administrator's Office decided to expand the language to include many of the related standards relative to military leave, some of these standards went into effect as short as one month ago. He added that, very likely, this language will be reviewed and changes made over the next few years to reflect the continuing changes in the law.

Mr. Wasson stated that, in concert with the above, Section 10.47-3 "Family and Medical Leave," has had many changes go into effect within the last 30 days. He noted that the Administrator's Office has made an attempt to address many of the areas that we found inconsistent with federal regulations on the *Family Medical Leave Act*. Mr. Wasson added that they are still evaluating many sections of the County Personnel Policies to ensure that all of them are in compliance.

Mr. Wasson advised that Section 10.80-5 "Illegal Harassment" has been expanded to include language from the *Illinois State Human Rights Act*. The language has been directly inserted so that the Personnel Policy is consistent with State and Federal statute. Mr. Wasson stated that the language is not only a tool that provides guidance for employees and supervisors, but it also acts as a risk management tool to help minimize the possibility of both employees and supervisors acting outside of their legal requirements under state and federal law.

Mr. Wasson indicated that, under Section 10.80-6 "Complaint Procedure," a clarification was made that employees of any County Department or Office who wish to register a complaint of sexual harassment may do so through the County Administrator's Office. He noted that this clarification is an attempt to ensure that County employees don't misunderstand or misinterpret County policies, and that they are aware that they are covered under these provisions and have alternative locations to provide complaints under state and federal law.

Mr. Wasson stated that, under Section 10.80 "General Rules of Conduct," the language is directly from the *Right to Privacy in the Workplace Act*. This directly addresses disadvantaging employees due to actions that they take lawfully outside of the workplace.

Chairman Owens indicated that members of the Finance Committee may ask their questions first, followed by other members of the County Board and finally comments from individuals in the audience.

Mr. Caisley proposed a motion to make corrections to the amendments to the Policy, as follows:

- Page 2, sub-paragraph (G) of Section 10.10-1, change statutory reference from 775 ILCS 5/1-101 to 775 ILCS 5/1-103 (O-1).
- Page 3, "**Exclusion Procedure**" change 10.12-1 to 10.12-2.

Mr. Lindberg reminded the Committee that the actual changes to the Ordinance should be directed to the section between pages 18-25. He noted that the reference to Section 10.12-2 is correct on the Ordinance. However, the first change Mr. Caisley mentioned will need to be made.

Motion by Caisley/O'Connor to recommend approval of an amendment to the Ordinance, Section 10.10-1 "General Definitions," Paragraph (G), changing the Statutory Reference from 775 ILCS 5/1-101 to 775 ILCS 5/1-103 (O-1).
Motion carried.

Ms. O'Connor referred to the County Personnel Code Section 10.10 "Statement of Policy", where it indicates that the County Administrator shall serve all County offices by participating in or performing the following activities: "...monitoring for compliance with State and Federal Employment and Labor Laws..." Ms. O'Connor asked who has been monitoring this in the past. Mr. Zeunik replied that the County Administrator's Office has been performing this responsibility. This reference is added for clarification.

Mr. Moss proposed a correction to the final Ordinance, as follows:

- page 19, item (J) "Gross Misconduct," Line 3 reads "...to follow any reasonable request given an employee's supervisor..." Recommend that the word "by" be included, as follows: "...given **by** an employee's supervisor..."

Mr. Caisley stated that, by adopting this Ordinance, we are setting a standard of conduct, the violation of which can give rise to a cause of action for damages against the County. Therefore, he recommended that we be consistent with the rights granted under the State Statute, but not go beyond what is set forth in the State Statute. Mr. Caisley proposed that Section 10.80 D) "Unacceptable Behavior" on page 24, Line 8, which reads "Discussing the lawful private lives of other County employees within the workplace" be stricken from the Ordinance. Ms. Rackauskas pointed out that the line was stricken from the Ordinance.

Mr. Caisley indicated that he is particularly anxious to make sure that the State Statute definition of sexual orientation be included in the Ordinance, partially in deference to the objections raised by the County Recorder, and to make sure that we are consistent with the State Statute, but not going beyond what the State Statute provides.

Mr. Butler questioned why we need to include the section on sexual orientation since the County can be sued based on State law and not by policy we have on the books. Mr. Ruud responded that the addition of this language was recommended by Mr. Robert Kearney, an attorney and expert on employment law, who was hired by the County to handle several internal investigations. Mr. Ruud indicated that it was suggested that the County include similar definitions in the County Policy as educational and guidance tools. Mr. Ruud noted that employees may be well aware of their rights, but their managers and supervisors may not. He indicated that the County must make sure that supervisors, in addition to the employees, are aware of what the law is so that they can conduct themselves accordingly. Mr. Ruud advised that, should an employee raise a sexual orientation-hostile work environment complaint, under our policies that individual has two routes they can go. The individual can go to the County Administrator to seek redress and/or to the Illinois Human Rights Commission. When the complaint goes to the Illinois Human Rights Commission, the Commission will contact the County asking for discovery, namely a copy of the County's Personnel

Policy. Mr. Ruud advised that if we send them a copy of the County's policy and the section on "sexual orientation" is not included, the County is at risk of paying significant additional damages that would be unnecessary if the language is included in the Policy. Mr. Ruud explained that, including this language, is a way to guide the employees and supervisors, and a way to protect the County from additional liability exposure.

Mr. Moss requested clarification on 10.80 D) "Unacceptable Behavior," section 7, which reads: "Disadvantaging any individual, with respect to compensation, terms, conditions or privileges of employment because an employee uses lawful products during nonworking hours." He asked if an example of that would be someone who smokes. Mr. Lindberg responded that it would be anyone who uses a lawful substance on their own time who may be disadvantaged in the workplace with reference to the use of that lawful substance. He added that a smoker would be a good example. An employee cannot be overlooked for promotion because the employee smokes on his own time, while following all policies on smoking in the workplace.

Ms. O'Connor referred to page 20, Section 10.12-1 "Specific Scope of Coverage" and 10.12-2 "Exclusion Procedure," specifically the sentence: "All individual Elected Officers shall comply with applicable provisions of State and Federal Employment and Labor Laws." She asked what language was used previously for elected officials. Mr. Lindberg replied that this is new language. He noted that the wording previously gave the impression that an Elected Official would be exempt from all law. Mr. Lindberg stated that, although the County Board cannot promulgate a policy in this Ordinance that would bind a County-wide elected official, they would still be responsible to comply with State and Federal law.

Ms. O'Connor asked if the above clarification is the same purpose of the language in Section 10.12-2, stating "...will be submitted as a portion of the annual fiscal year budget process." Mr. Lindberg replied that the previous language requested that County-wide Elected Officials inform the Administrator's Office as to when their own policies diverged from this County Personnel Code. The reason for that is so that the Administrator's Office could be prepared to deal with the consequences of such divergence, such as a risk management standpoint. If there were a matter of great concern, the Administrator's Office could meet with the County-wide Elected Official to understand why they diverged from the County Policy. Mr. Lindberg concluded that it was an effort to keep the County Board, the Administrator's Office and the County-wide Elected Officials current on Policy conflicts on an annual basis during the budget process.

Mr. Segobiano referred to page 23, Section 10.80-5 "Illegal Harassment." He asked if there is anywhere in this document where the County discriminates against any

individual or group of individuals employed or appointed by the County Board. Mr. Lindberg replied that if he is asking if the Ordinance shows anywhere that the County endorses discrimination, this document does not do that. He indicated that Section 10.12-1 states: "All advisory boards, commissions and committees appointed by the McLean County Board, consultants, advisors and counsel rendering temporary or professional service, and independent contractors, are expressly exempted from coverage, except to the extent that State and Federal Employment and Labor Laws extend to said individuals." In other words, the County does not propose that you apply every word and every phrase in this Ordinance to every contractor, every advisory person, and every consultant that comes through the doors of the County. Mr. Lindberg added that the County does remind all of them that they are still bound and expected to comply with fully applicable State and Federal law.

Mr. Segobiano referred to page 23, Section 10.80-5. He asked if the County Board appointments, as Mr. Lindberg referred to above, fall under these guidelines. Mr. Ruud replied that they do not fall under these guidelines and the County cannot impose its will on independent bodies. He pointed out that there are hundreds of appointees made by the Board. Once the Board approves the appointment, then these individuals become parts of commissions and other taxing bodies that have their own statutory authority and duties. Mr. Ruud advised that, under the statutes, the County only has the authority to appoint; once they are appointed to any particular taxing body, such as the Airport Authority or Fire District, etc., they then fall under those statutes and regulations. The County Board cannot extend its authority any further than the appointment process. Mr. Ruud added that the County's leverage is, if there is an appointee who is not doing what the County wishes, he or she can be replaced the next time they are up for appointment.

Mr. Segobiano asked what happens to those appointments to Boards that do not have taxing authority, such as the Zoning Board of Appeals. Mr. Ruud reiterated that the County's only recourse would be to not reappointment that individual. Mr. Segobiano asked if there is a way to remove someone who was appointed. Mr. Ruud replied that there may be statutory authority for removal. He noted that he does not believe that the County Personnel Policies apply to appointments to those boards.

Ms. Ahart indicated that she understands the rationale for removing the statement located under Section 10.80 "General Rules of Conduct", paragraph D), namely: "Discussing the lawful private lives of other County employees within the workplace." She asked if the County has a Personnel Manual that is given to new employees. Mr. Lindberg replied that there is a Personal Manual given to new employees that is an abbreviated form of the 80-page Personnel Code. He added that the manual is less in-depth than the County Personnel Code.

Ms. Ahart stated that, many times, there are expectations in the workplace of appropriate conduct that has not been spelled out anywhere. She noted that the whole idea behind the above statement is to stop gossip and to stop the impression of a hostile working environment for employees. Ms. Ahart recommended that, in addition to the policies in the manual, it may be necessary to include expectations of conduct. Mr. Wasson replied that, as a portion of the Supervisory training workshops that were held last fall with first line supervisors and department heads, these types of areas were addressed. He anticipated that, in the future, that type of supervisory training will extend to many of these types of topics.

Ms. Ahart commented that it is the responsibility of the County Board and the County Administrator's Office to make sure managers and supervisors are aware of State laws and are compliant with State laws. Mr. Wasson responded that it is the goal of the manager training sessions and new hire orientations to make sure everyone is aware of federal and state law.

Ms. Wollrab referred to Section 10.12-1 "Specific Scope of Coverage" on page 20. She asked if there are any collective bargaining contracts that have any type of exemptions for those protected classes when it is not written into the contract. Mr. Lindberg replied that he has attempted, during negotiations, to make sure that there was as much uniformity as possible. Mr. Lindberg added that every attempt has been made to make sure that any language discussed with the bargaining units is consistent with this policy.

Ms. Wollrab asked what is being done besides training managers and supervisors to ensure that the protected classes aren't being discriminated against. Mr. Lindberg replied that attempts are made in the hiring and the procurement area to increase minority participation.

Mr. Gordon reported two minor changes or corrections, as follows:

- Section 10.47-1, page 22, item D) "...Federal Law then in force is more generous than the provisions..." The second "then" should be "than."
- Section 10.47-3, page 22, item A)2) "...the initial evaluation period with the County, or..." The "or" should be "and."

Mr. Gordon referred to page 24, Section 10.80 "General Rules of Conduct," D) "Unacceptable Behavior." He noted that there are some fairly concise, pointed statements, including tardiness, safety violation, etc. Mr. Gordon expressed concern with deleting the line "discussing the private lives of other County employees..." Mr. Ruud stated that in Section 10.80 A) the originally proposed amendment said that it is unacceptable behavior to discuss lawful private lives of County employees within the workplace. He noted that this was a generic, non-legal version of what is now included,

Mr. Ruud advised that "gossip" was not the intended target. Mr. Ruud stated that the addition of the line "Disadvantaging any individual..." prohibits discrimination against an employee for using legal products, such as alcohol, cigarettes, etc. He concluded that gossip was never intended to be addressed. The intent was to protect against punishing or failing to promote someone that smokes just because the supervisor may be against smoking.

Mr. Caisley moved that we amend the proposed ordinance consistent with Mr. Gordon's two suggestions, changing "then" to "than" and "or" to "and."

Motion by Caisley/Rackauskas to recommend approval of an amendment to the Ordinance, page 22, Section 10.47-1, item D) change "then" to "than" and page 22, Section 10.47-3, item A)2) change "or" to "and."

Mr. Lindberg suggested that it would be helpful to start at page 18 and review each and every change or correction recorded from page 18-25, which is the technical amendment, as follows:

- No changes on Page 18;
- Page 19, sub (G), change the reference number from 775 ILCS 5/1-101 to 5/1-103 (O-1);
- Page 19, sub (J) add the word "by" between "given an";
- Bottom of Page 19, within section 10.11, add terms "Marital Status" and "Disability";
- No changes on pages 20 and 21;
- Top of page 22, sub (D) change word "then" to "than";
- Page 22, Section 10.47-3, sub A) between points 2) and 3) add the word "and" following "successfully complete the initial evaluation period with the County, and;
- Page 24 had no changes.

Chairman Owens advised that when the motion is made to recommend approval of the Ordinance, it will be necessary to recommend approval "as amended."

Chairman Owens called for a vote on the motion made by Mr. Caisley.

Motion carried.

Mr. Segobiano asked if an attempt is made, during negotiations with organized members, to have our Personnel Policy adopted by negotiated employees as part of their contract. Mr. Lindberg replied that he has attempted to be as consistent as possible with this policy.

Ms. O'Connor expressed concern with the line "Discourtesy or disrespect to a member of the public, a coworker or a County Official." She asked if this language is law. Mr. Ruud replied that it is not law, but it is a matter of policy. Ms. O'Connor stated that it would be difficult to determine when behavior became discourteous. She indicated that she feels that discourtesy and disrespect will be difficult to monitor as they are value judgments.

Mr. Moss agreed with Ms. O'Connor that the phrase is a value judgment and should not be included in the document. Mr. Lindberg responded that the list of Unacceptable Behavior provides a common-sense framework of things that should not be done and that can result in subsequent disciplinary action. He added that "discourtesy and disrespect" is a common complaint reported to supervisors.

Chairman Owens asked if there were any more questions or comments by members of the Committee or other Board members. Hearing none, he invited Mr. Chris Gramm, a Bloomington resident to speak. Chairman Owens asked the speakers to limit their comments to five minutes.

Mr. Chris Gramm, Bloomington resident, shared various observations. He expressed concern, politically, with the document giving the County Administrator much more authority that he currently has. He cited Section 10.10 which states "the County Administrator shall serve all County offices by monitoring for compliance with State and Federal Employment and Labor Laws..." Mr. Gramm suggested that the Administrator's Office may need more staffing to make sure that every office is compliant. He expressed concern that there are some unintended consequences, such as new positions and tax increases.

Mr. Gramm referred to Section 10.12-1 "Specific Scope of Coverage," which states that "All individual Elected Officers shall comply with applicable provisions of State and Federal Employment and Labor Laws." He indicated that it should be assumed that they would comply. He questioned whether we want all Elected Officials subservient to a bureaucracy and a stronger County Administrator.

Mr. Gramm referred to Section 10.80 "General Rules of Conduct," D) Unacceptable Behavior, in his next few observations. He suggested that if one employee displayed the Green Bay Packers gear in the workplace, it would be discourteous and disrespectful to an employee who is a Bears fan.

Mr. Gramm stated that the phrase "Acts, threats, or perceptions of violence toward any persons..." should be cleaned up. He indicated that the term "perception of violence" is unclear.

Mr. Gramm suggested that the term "Any form of unlawful harassment, particularly sexual harassment" be shortened to say "any form of unlawful harassment."

Mr. Gramm expressed concern with the entire Ordinance. He reminded the Committee that they have the right to vote "no."

Chairman Owens asked Mr. Zeunik to respond to Mr. Gramm's questions about the Administrator's role with respect to Elected Officials. Mr. Zeunik responded that, pursuant to the Ordinance that the County Board approved in 1976 when the office was created, specific responsibility has been given to the County Administrator's Office as it relates to compliance with State and Federal Employment and Labor Laws. He indicated that this is mainly a clarification for code purposes and not to expand the duties and responsibilities of the office to create opportunities for future positions to be created within the County Administrator's Office. As it relates to Elected Officials, the language that has been added is added for clarification. Mr. Zeunik advised that this language was added on the recommendation of Mr. Kearney as a result of internal investigations he conducted. The current Personnel Ordinance does not have a specific reference that states that County-wide Elected Officials shall comply with applicable provisions of State and Federal Employment and Labor Laws.

Mr. Zeunik stated that, as currently written, the Ordinance could give way to an interpretation that Elected Officials are specifically exempt from compliance with those laws. He noted that Mr. Kearney recommended that it would be in the County's best interest to include this language. Mr. Zeunik pointed out that there is nowhere in this Ordinance where there is any requirement for County Elected Officials to adopt this Ordinance, or to follow this Ordinance. He stated that this is the County Board's Personnel Ordinance that applies to all County appointed departments and all County employees in those departments. Elected Officials will have the option, as they have today, to adopt this Ordinance in its entirety, to not adopt it, to adopt their own Ordinance, or to make modifications to the Ordinance. Mr. Zeunik advised that Elected Officials are required to comply with State and Federal Employment law and Labor laws. In today's environment, this is an area where the County has great exposure and liability.

Chairman Owens introduced Mr. Dave Bentlin, Bloomington resident, to address the Committee.

Mr. Bentlin encouraged the Committee to support the revised Personnel Policy. He noted that the Policy supplies a great deal of consistency with the State Law, particularly in regards to sexual orientation. Mr. Bentlin noted that, more importantly, it also provides consistency with a lot of local laws and personnel policies within the community. Mr. Bentlin indicated that he is a member of the Bloomington Human Relations Commission. He advised that, several years ago, the Bloomington City Council adopted an Ordinance which included sexual orientation, as has the Town of Normal. Mr. Bentlin added that all of the major employers in the area have personnel policies that include sexual orientation. He stated that it is important for the County to be consistent with not only the State and Federal laws, but with other local laws and the wishes of the major employers in the area.

Mr. Bentlin expressed his belief that this is a positive development for the County and he encouraged the Committee to support the policy.

Ms. O'Connor referred to page 20, Section 10.12-1 in regard to the phrase that "...Sheriff's Department personnel are expressly exempted from coverage by these policies and procedures..." She asked if this means they are exempt from the State and Federal law. Mr. Zeunik explained that the Sheriff's employees, under many cases, come under the provisions of the Merit Board in terms of the policies that relate to disciplinary provisions.

Motion by Caisley/Rackauskas to recommend approval of an Ordinance of the McLean County Board Amending Chapter 10 of the McLean County Code, as amended today.

Mr. Moss referred to page 24, the last line of "Unacceptable Behavior" that says: "Any form of unlawful harassment, particularly sexual harassment." He asked why does the phrase "particularly sexual harassment" need to be included. Mr. Lindberg replied that it is included because most harassment issues that the County has dealt with can be traced back to sexual harassment, which is why it was included.

Ms. O'Connor expressed her continued concern with the term "discourtesy or disrespect..." as it is such a generic term. Mr. Caisley responded that the phrase should be taken in context and recognize that there may be plausible exceptions to the rule.

Mr. Segobiano stated that the County Administrator has no more authority than what the governing body gives him. The County Board has the final say on any issue. He added that this County is in good financial shape due to our County Administrator.

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Chairman Owens asked if there were any additional questions or comments. Hearing none, he called for a vote on the motion.

Motion carried with Ms. O'Connor voting "No."

Chairman Owens reminded the Committee that this will go to the full County Board on March 17, 2009 at 9:00 a.m.

Chairman Owens advised that the *Executive Session* on Personnel Issues and Collective Bargaining will be moved to the end of the Agenda.

Mr. Moss left the meeting at 5:20 p.m. to attend a Board of Health meeting.

Ms. Michelle Anderson, Financial Reporting Specialist, County Auditor's Office presented two budget amendments related to purchase orders that were carried forward in February. She noted that it was necessary to move the expense back to 2008 by adding the amount to the budget for 2008 and subtracting it from 2009. Ms. Anderson advised that there will be another Emergency Appropriation request presented at a Stand-up meeting prior to the Board meeting on March 17th related to a \$95,000.00, 2008 bill. She distributed a copy of the Emergency Appropriation Ordinance to the Committee for their review.

Ms. Anderson presented the two Emergency Appropriation requests, noting that they can be acted upon together. The first is a request for approval of an Emergency Appropriation Ordinance Amending the McLean County Fiscal Year 2008 Combined Annual Appropriation and Budget Ordinance, McLean County General Fund 0001, McLean County Information Technologies Department 043 and McLean County Recorder Department 0006, McLean County Auditor's Office. The second is a request for approval of an Emergency Appropriation Ordinance Amending the McLean County Fiscal Year 2009 Combined Annual Appropriation and Budget Ordinance, McLean County General Fund 0001, McLean County Information Technologies Department 043 and McLean County Recorder Department 0006, McLean County Auditor's Office.

Motion by Butler/Caisley to recommend approval of an Emergency Appropriation Ordinance Amending the McLean County Fiscal Year 2008 Combined Annual Appropriation and Budget Ordinance, McLean County General Fund 0001, McLean County Information Technologies Department 043 and McLean County Recorder Department 0006, McLean County Auditor's Office and to recommend approval of an Emergency Appropriation Ordinance Amending the McLean County Fiscal Year 2009 Combined Annual Appropriation and Budget Ordinance, McLean County General Fund 0001, McLean County Information Technologies Department 043 and McLean County Recorder Department 0006, McLean County Auditor's Office.

Motion carried.

Chairman Owens asked if there were any questions. Hearing none, he thanked Ms. Anderson and Ms. Dozier.

Ms. Peggy Ann Milton, County Clerk, presented a request for approval of a Supplemental Election Judge List. She distributed a new list, which included the same names, but with additional party affiliations where they were not previously listed. Ms. Milton noted that there is one name on the list that does not show a party affiliation.

Ms. Milton indicated that the upcoming election will not be difficult as it is a consolidated year. She added that election judges training will be conducted later in the month.

Ms. Rackauskas pointed out a typographical error on page 33. The word "college" should be capitalized under the name Elvira Scruggs.

Mr. Caisley asked what the initials mean under "Type." Ms. Milton replied that the initials are, as follows:

- EJ is Election Judges;
- HSEJ is High School Election Judges;
- CEJ is Certified Election Judge;
- EJB is Election Judge Bloomington;
- COB is City of Bloomington.

Chairman Owens asked if there are any Green Party and/or Third Party people who want to be judges. Ms. Milton replied that, at this time, the only thing the law requires are the splits between Republican and Democrat. She noted that she has not had any experience with the Green Party or Third Party, but she will investigate the rules.

Motion by Rackauskas/O'Connor to recommend approval of
a Supplemental Election Judge List.
Motion carried.

Mr. Caisley commented that the High School Election Judges in his precinct have been very good. He stated that it is a worthwhile program.

Ms. Milton reviewed her Monthly Activity Report for February 28, 2009. She noted that the Voter Registrations/Addresses Changes/Cancellations are way down.

Chairman Owens asked if there were any questions. Hearing none, he thanked Ms. Milton.

Mr. Don Lee, Director, Nursing Home, reviewed his Monthly Report. He noted that January is not a very meaningful month as it is very low in reporting expenses. Mr. Lee indicated that he adjusted the expense figures for the month of January to what he thinks is realistic. He stated that January came out a break-even month.

Mr. Lee reported that the census during this period was lower than it is today. Today, the census is at 128 residents.

Chairman Owens asked if there were any questions or comments. Hearing none, he thanked Mr. Lee.

Chairman Owens presented the General Report as submitted by Mr. Lee Newcom, County Recorder. There were no questions regarding the report.

Mr. Robert Kahman, Supervisor of Assessments, reviewed his Monthly Reports. He also distributed a chart entitled "Total PTAX 203 (sales) Per Year."

Mr. Kahman advised that, during the year, he watches the sale of property, which creates the multiplier. He pointed out that the public and legislatures hate the Property Tax. Mr. Kahman stated that the Property Tax is a large part of the County's revenue. He indicated that his role as Assessor is to watch what is going with regard to property sales, to be aware of the laws and to assess property.

Mr. Kahman referred to his report on the "10 Year History of McLean County Township Multipliers." He noted that he tracks the CPI (Consumer Price Index), which is reflected on the report under "Median multiplier compared to CPI for Urban areas." Mr. Kahman stated that the median multiplier and the CPI-Urban do not perfectly match each other.

When the CPI goes up, the multiplier goes up and when the CPI goes down, the multipliers go down. Mr. Kahman pointed out that in 2002, 2003 and 2007 they hit bottom. In 2008, the CPI went up.

Mr. Kahman stated that the PTAX 203 report is real estate transfer declarations, or "green sheets." He added that this is the tax that is paid when you sell property, which is what drives the multiplier. Mr. Kahman indicated that the green sheet is filed with the Recorder. The Recorder, by statute, sends a copy to the Assessor's Office where it is processed. Mr. Kahman stated that he then sends it to the Department of Revenue where it is processed. Mr. Kahman reported that the Transfer Declarations hit a peak around 2003 and, since then, have been going down through 2008. He indicated that the County earns revenue when people pay for each declaration that they file. Mr. Kahman pointed out that there has been a significant decrease in Transfer Declarations since 2003.

Mr. Kahman stated that the trend line on the report on annual real estate sales from year to year shows a decline in sales.

Mr. Kahman reported that the multipliers have started to climb over the last year or so and the number of sales is distinctly down.

Mr. Caisley asked how many townships do not have a Township Assessor or a Multi-Township Assessor. Mr. Kahman replied that he does not know. He added that every Township is covered by an assessor, but many of them are contracting with the assessor, rather than assessors being appointed or elected. Mr. Kahman explained that Townships are reticent to pay for an Assessor. He noted that the Department of Revenue and the State Legislature have a Real Estate Tax Reform and Relief Committee. Mr. Kahman stated that it is recognized around the state that there is gross inequities on how homes are assessed. He added that McLean County does a good job of assessing as compared to many other areas.

Mr. Caisley asked how many Townships have people running for Assessor this year. Mr. Kahman replied that every year it is less. He pointed out that Township Assessors make very little money for a job that is not appreciated, particularly in light of today's economic climate.

Chairman Owens asked if there were any additional questions. Hearing none, he thanked Mr. Kahman.

Ms. Becky McNeil, County Treasurer, presented the Financial Reports for the period ending February 28, 2009, as distributed.

Ms. McNeil reviewed the Statistics on the Summary of Retailers Occupation Tax, State Income Tax and Personal Property Replacement Tax Revenue Report for the month ending February 28, 2009.

- Retailers Occupation Tax Revenue for February 2009 is \$432,078.19.
- Retailers Occupation Tax Revenue Year to Date is \$882,056.51, which is -9.37% below last year and 15.34% of budget.
- State Income Tax Revenue is \$337,065.85, which is 10.24% below last year and 17.51% of budget.
- Personal Property Replacement Tax Revenue is \$173,854.43, which is -27.00% below last year and 9.30% of budget.

Ms. McNeil commented that she continues to see a difficult time right now for the County. She noted that we are at 16% of the year. Ms. McNeil pointed out that the County is only at about 15.34% of budget for Retailers Occupation Tax Revenue. She advised that the Administrator's Office knew that, this fiscal year, things were not going to be as good as they were in 2008, so the budget number was cranked down a little bit.

Ms. McNeil pointed out that the County did not receive any Personal Property Replacement Tax in February.

Ms. McNeil noted that March will be a critical month for the County. March will reveal what is going to happen this year, particularly in the sales and revenue sales. Ms. McNeil stated that the sales and revenue sales in March reflect the Christmas season purchases. She noted that those figures will determine if we need to make some changes in 2009.

Ms. Rackauskas asked how far below budget can the County fall and not be in a crisis as far as revenue is concerned. Ms. McNeil responded that, last year, the County started 2008 with a fund balance of \$12 million in the General Fund. She noted that expenditures were authorized to use some of that fund balance on capital projects, including repairs and renovations to exterior and interior of the McLean County Museum of History. Ms. McNeil added that there were some revenue sources that did not come in as expected in 2008, such as interest income. She also pointed out that some County expenses were higher than expected, such as the out-of-County jail housing.

Ms. McNeil advised that the County should have 10% of the total operating budget as a reserve. She indicated that Property Taxes are the main source of revenue for the General Fund. In the month of January, the Fund Balance will be reviewed, recognizing that the major source of revenue will not come in until May or June. The Fund Balance is what will be used to meet the County's expenses for payroll, which is the County's

biggest expense. Ms. McNeil stated that from now until the first Property Tax distribution, there is \$7 million in payroll expenses to make. Payroll expense is about \$1 million every two weeks.

Ms. McNeil reviewed the Investment Report, noting that the major CD's that are up for renewal will be used to cover County expenses until May. She noted that the major CD's, around \$500,000.00, are making between 3% and 4% interest.

Ms. McNeil reviewed the Statement of Revenue, Expenditures and Fund Balance, as follows:

- Total Revenue last year at the end of February was \$3,031,843.12;
- The total Revenue as of February 28, 2009 was \$2,348,105.28, which is 7.25% of budget;
- Expenditures were \$4,980,625.74, which is 15.38% of budget;
- The Fund Balance as of February 28, 2009 was \$7,249,832.12;

Ms. McNeil advised that the 7.25% total revenue into the General Fund as of February 28, 2009, was expected because the Property Tax money will come in later. She added that there are about \$400,000.00 in accruals that have not hit the revenue yet. These are items that departments will report to the Treasurer's Office and will be accrued. Ms. McNeil stated that this will push the revenue number from \$2.3 million to \$2.7 million.

Ms. McNeil pointed out that the expenditures as of February 28, 2009 are higher than February 28, 2008. She indicated that the difference is due to an extra payroll expense in 2009 that was not paid in 2008 until March. She noted that if you subtracted the payroll expense of over \$800,000.00 in 2009, the 2009 expenses are little under last year.

Ms. Rackauskas asked if she anticipates a delay in people paying their property taxes. Ms. McNeil replied that the taxing bodies are wanting to know how effective McLean County will be in getting the tax bills out, particularly the school districts. She emphasized the importance that the tax bills get mailed out by the end of April or the first week of May in order to maintain a due date in June and September. Ms. McNeil stated that this is the time when the County will be earning the largest part of its interest income for the year.

Ms. McNeil advised that, last year, she watched the Property Tax collection rate to see if there were any trends in payment. She stated that at the end of the tax cycle last year, they went to tax sale with 785 parcels, which is the lowest number she has ever taken to sale. Ms. McNeil indicated that she anticipates that individuals will pay their property taxes.

Ms. O'Connor asked if Ms. McNeil knows how Unit 5 will repay the extra \$1 million of taxpayer money that it collected last year. Ms. McNeil replied that there is a statute that covers fiscal responsibility. When a taxing body does not file everything as they should and the amount that they levy and is extended is higher, as in the case of Unit 5, they have two options. Ms. McNeil stressed that it is not the County Collector's responsibility or authority to intervene in this process. The taxing body must either issue refunds or must abate their future levies. Ms. McNeil stated that Unit 5 chose to abate their future levies, rather than issue refunds to the Unit 5 taxpayers.

Mr. Caisley asked if all of the Certificate's of Deposit are collateralized. Ms. McNeil replied that they are collateralized.

Motion by Rackauskas/Butler to accept and place on file the Month-end Financial Reports from the County Treasurer's Office for the month ending February 28, 2009, as submitted.

Motion carried.

Chairman Owens asked if there were any additional questions or comments. Hearing none, he thanked Ms. McNeil.

Chairman Owens called for a motion to go into *Executive Session* to discuss a Personnel Matter and Collective Bargaining.

Motion by O'Connor/Butler to Recommend the Finance Committee go into *Executive Session* at 6:08 p.m. to discuss a Personnel Matter and Collective Bargaining with the Committee Members and the Administrator's Office Staff.

Motion carried.

Motion by Butler/Caisley to recommend the Finance Committee return to *Open Session* at 6:21 p.m.

Motion carried.

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Chairman Owens presented the February 28, 2009 Finance Committee bills for review, as well as a transfer in the Treasurer's Office of \$4,700.00. The Finance Committee bills include a Pending Total of \$8,330.17 and a Prepaid Total of \$584,508.99 for a Fund Total of \$592,839.16.

Motion by Rackauskas/Butler to recommend approval of the Transfer of \$4,700.00 in the Treasurer's Office and approval of the Finance Committee bills as of February 28, 2009 as recommended by the County Auditor.
Motion carried.

The Nursing Home bills include a Fund Total of \$389,001.72 with a Prepaid Total that is the same.

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Motion by Caisley/O'Connor to recommend approval of the Nursing Home bills as of February 28, 2009 as recommended by the County Auditor.
Motion carried.

There being nothing further to come before the Committee at this time, Chairman Owens adjourned the meeting at 6:23 p.m.

Respectfully Submitted,

Judith A. LaCasse
Recording Secretary

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