

Minutes of the Finance Committee

The Finance Committee of the McLean County Board met on Tuesday, November 1, 2005 at 4:00 p.m. in Room 400 of the Government Center, 115 East Washington Street, Bloomington, IL.

Members Present: Chairman Sorensen, Members Moss, Nuckolls, Berglund and Owens

Members Absent: Member Selzer

Staff Present: Mr. John Zeunik, County Administrator; Ms. Jude LaCasse, Assistant to the County Administrator; Ms. Lucretia Wherry, Human Resources Assistant

Department Heads/
Elected Officials
Present:

Mr. Phil Dick, Director, Building and Zoning; Mr. Bob Keller, Health Department Administrator; Mr. Don Lee, Director, Nursing Home; Mr. Lee Newcom, County Recorder; Ms. Becky McNeil, County Treasurer; Ms. Peggy Ann Milton, County Clerk; Ms. Jennifer Ho, Risk Manager

Others Present: Mr. Mike Behary, Building and Zoning; Ms. Laura Dick, Executive Director, SHOW BUS

Chairman Sorensen called the meeting to order at 4:05 p.m.

Chairman Sorensen presented the minutes from the October 4, 2005 Finance Committee Meeting for approval. Hearing no corrections to those minutes, Chairman Sorensen advised that the minutes would stand approved as presented.

Mr. Phil Dick, Director, Building and Zoning, presented a request for approval of a Lease Agreement between McLean County and Meadows Mennonite Retirement Community d/b/a Show Bus for the addition of two 2005 busses.

Mr. Moss asked if the busses were replacements or new busses. Mr. Dick replied that one bus is a replacement and one is an additional bus.

Motion by Berglund/Owens to Recommend Approval of the Lease Agreement between McLean County and Meadows Mennonite Retirement Community d/b/a Show Bus.
Motion carried.

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Chairman Sorensen asked if there were any further questions. Hearing none, he thanked Mr. Dick for attending.

Mr. Robert Keller, Health Department Administrator presented a request for approval of an Amendment to McLean County Revised Code, Chapter 26, Food Service, and Chapter 28, Health and Sanitation. This will allow the Health Department to increase food and sewage fees by 3% and also establish adjustments in temporary multiple event permits. He noted that this coincides with the budgeted revenue in the FY-2006 Recommended Budget, which the Committee reviewed last month.

Motion by Owens/Moss to recommend approval of an Amendment to McLean County Revised Code, Chapter 26, Food Service, and Chapter 28, Health and Sanitation.

Chairman Sorensen asked for clarification on the fee structure that is currently in place and asked how the County's fee schedule compares to other Counties. Mr. Keller explained that the proposed fees would place the County in approximately the 75th percentile when compared to other comparable Counties. He stated that larger Counties have slightly higher fees, some Counties have less fees and a few Counties have no fee structure.

Chairman Sorensen suggested that the fee structure be reviewed with the idea of increasing the fees for health inspection in food establishments. Mr. Keller replied that he will review the fee structure from a policy perspective with the Board of Health.

Chairman Sorensen asked for an explanation of the different classes (i.e. Class A, Class B and Class C). Mr. Keller clarified that Class A includes establishments that have a large amount of on-site preparation and, therefore, requires more inspection time, such as banquet facilities. Class B includes most fast food restaurants and other restaurants that do not require complex inspections. Class C includes facilities such as convenient marts and gas stations that require very minimal inspections.

Mr. Moss asked how many food service permits are processed annually. Mr. Keller replied that there are 750 permits, which includes institutional, retail and commercial establishments.

Mr. Nuckolls asked under what license category are buffets. Mr. Keller replied that buffets fall in the Class A category because they require complex inspections.

Motion carried.

Chairman Sorensen asked if there were any further questions or comments. Hearing none, he thanked Mr. Keller.

Chairman Sorensen presented the monthly Assessment Status Report as submitted by Mr. Bob Kahman, Supervisor of Assessments. He asked if there were any questions. There were none.

Mr. Don Lee, Director, Nursing Home, presented the monthly reports for October, 2005. Mr. Lee reported that the census for October was lower than in September. The census averaged approximately 142 residents in October. He indicated that the current census is 145 residents. Mr. Lee advised the Committee that the projected increase from retained earnings for the year is around \$220,000.00, attributable to the Intergovernmental Exchange Agreement. He noted that this is something he worries about from time to time. Should that Agreement expire, the Nursing Home would receive \$220,000.00 less in reimbursement. Chairman Sorensen asked if, whether the number is positive or negative, it accrues to the Nursing Home Fund. Mr. Lee replied that it does.

Chairman Sorensen asked if there were any questions. Hearing none, he thanked Mr. Lee for his report.

Mr. Lee Newcom, County Recorder, presented the Recorder's General Report, noting that everything balances.

Chairman Sorensen congratulated Mr. Newcom on the successful audit of the State Revenue Stamp accounts.

Mr. Newcom presented an update on the correction project which is now underway. He stated that there are two part-time employees who started a week ago. Mr. Newcom indicated that next month he will be able to give the Committee a more accurate report on the project. He noted that he will meet with vendors to examine the cost of the film project to get the film inventory stored properly for the future.

Chairman Sorensen asked if there were any questions. Hearing none, he thanked Mr. Newcom for attending.

Chairman Sorensen presented the report on the Recorder Stamp Inventory as submitted by Ms. Jackie Dozier, County Auditor. He explained that the County Auditor conducted an audit of the Recorder's State Revenue Stamp Balance. The report showed that there were no issues and the account balanced.

Chairman Sorensen asked if there were any questions. There were none.

Ms. Becky McNeil, County Treasurer, presented two requests, one for approval of a Resolution to Authorize the Chairman of the Board of McLean County to Execute a Deed of Conveyance to John A. Carlon on Parcel #12-08-102-003 and a second request for approval of a Resolution to Authorize the Chairman of the Board of McLean County to Execute a Deed of Conveyance to Lawrence Hunt on Parcel #09-07-267-001. Ms. McNeil explained that the County, as Trustee, through the Delinquent Tax Program, has acquired these Deeds. She stated that two individuals have come forth and bid an amount that is acceptable. Ms. McNeil advised that she is asking the County Chairman to sign these resolutions which will allow the Treasurer's Office to deed these properties to the individual buyers.

Ms. McNeil reviewed the Delinquent Tax Program. She noted that the program started in 1999 as a way to deal with property where the taxes were not paid. In November, the properties go to tax sale and a number of buyers bid on the properties. For any parcel that is not sold, the County, as Delinquent Tax Agent, will pick up. Last year there were 12 certificates the County acquired, five of which have been redeemed and seven are open. In 2002, there were 20 certificates acquired, seven have been redeemed and 13 are open. In Tax Year 2001, there were 17 certificates obtained, 14 have been redeemed and three are still open. Throughout the program, the Treasurer's Office has acquired the deed on 46 parcels, which means 46 parcels have gone through the tax sale after the property owner failed to redeem the taxes over a period of three years, and the County acquired the deeds. Of the 46 parcels, 31 have been closed, which means individuals have purchased them at the tax sale, two of them are sold but open and in the settlement process, one has been reconveyed, one is paying towards reconveyance, and 11 are still open. Ms. McNeil acknowledged that the program is working.

Motion by Moss/Nuckolls to Approve a Resolution to Authorize the Chairman of the Board of McLean County to Executive a Deed of Conveyance to John A. Carlon on Parcel #12-08-102-003 and Approve a Resolution to Authorize the Chairman of the Board of McLean County to Executive a Deed of Conveyance to Lawrence Hunt on Parcel #09-07-267-001.
Motion carried.

Ms. McNeil presented the County Treasurer's Monthly Financial Reports for the period ending October 31, 2005. She reviewed the Summary of Retailers Occupation Tax, State Income Tax and Personal Property Replacement Tax Revenue Report, noting that:

- All three revenue sources are coming in above the budgeted amount.
- The Retailers' Occupation Tax is 8% above last year and at 90% of initial budget, with two more months to collect.
- State Income Tax Revenue is 19.3% above a year ago and exceeds the original budget requirement at 109.9%.
- Personal Property Replacement Tax – The County received a payment in October and one more payment is expected in December
- As of October 31, 2005, Personal Property Replacement Tax is 37% above last year and at 159% of budget.
- General Fund Property Tax Revenue is the same as last month. Final distributions should be made in December.

Ms. McNeil reviewed the Treasurer's General Pooled Investment Account. She reported that there was no activity in the month of October on the CD's. The Money Market in October rose between 1/4%-1/3%, partly due to the Federal Reserve raising the discount rate 1/4% in September. The Illinois Fund Money Market was 3.2% in September and is now 3.8% in October. The State Farm rate in September was 3.05% and is up to 3.4% in October.

Ms. McNeil reported that a two-year CD was taken out for the Nursing Home in August for \$750,000.00 with First State Bank at a rate of 4.5%. The Nursing Home Fund will see approximately \$65,000.00-\$70,000.00 on interest alone in August of 2007.

Ms. McNeil reviewed the Statement of Revenue, Expenditures and Fund Balance. She stated that the General Fund is at 86.1% of budget on Revenue, which is up due to Property Tax revenue. Revenue is at \$23,024,080.00, which is above last year. Expenses are at \$20,848,719.00, which is slightly below last year and 78% of budget. The Fund Balance as of October 31st is \$8.1 million.

Motion by Moss/Owens to accept and place on file the month-end financial reports from the County Treasurer's Office for the month ending October 31, 2005, as submitted.
Motion carried.

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

Ms. Peggy Ann Milton, County Clerk, presented a Monthly Activity Report for the quarter ending September 30. She advised the Committee that new codes were recently created for the financial report and a year-to-date comparison report will be available beginning next year. Ms. Milton pointed out that in August the Voter Registrations/Cancellation increased significantly. The Cancellation process happens when voters who have been in suspend status through two general Federal elections are cancelled. In August, 9,000 names were purged en masse.

Mr. Owens asked if notification is sent to the person advising them that they are in suspension. Ms. Milton replied that a notice is sent at the beginning, but when the card is returned as undeliverable, no other action is taken. If a new address is received, the notice is sent to the current address.

Ms. Milton stated that the financial percentages as presented by Ms. McNeil are very informative and she would like to add a similar column in her Activity Report.

Mr. Moss asked for a description of Take Notices. Ms. Milton explained that tax buyers come in to purchase taxes and they are required by law to create a notice that goes out to the tax payer that their property taxes were sold. The County Clerk's Office is required to send out Take Notices to let the property owner know that their taxes were sold on a specific date for a specific amount.

Mr. Nuckolls asked why the August Birth Record requests increased so significantly. Ms. Milton replied that the requests increase due to back to school records, sports, and also when name changes occur due to marriage. The birth certificate is needed along with the marriage certificate when traveling out of the country.

Ms. Milton reviewed the information describing the Marriage License Application and Record Requests in the County Clerk's Office. She distributed some examples of Marriage License application forms as well as the packet provided by the Chamber of Commerce. Ms. Milton noted the following:

- Couple must apply for Marriage License application up to 60 days to one day before event, along with identification and other requirements.
- Minors must go to Court to get affidavit and must have parent's permission
- Marriage License copies can be obtained by anyone.
- County Clerk's Office takes pictures of couples, which, along with a plastic protector for the license, produces a small amount of revenue.

Ms. Milton announced that a representative of the County Clerk's Office will occasionally go to the jail to process a marriage license application process with an inmate, when requested.

Ms. Milton stated that the marriage license process is one of the pleasant responsibilities of the County Clerk's Office.

Chairman Sorensen thanked Ms. Milton for her report.

Ms. Jennifer Ho, Risk Management, presented the Cumulative Report (Table 1) and the Historical Third Quarter Report (Table 2) of the Risk Management Fund as of September 30, 2005. Ms. Ho pointed out that Table 1 demonstrates the cumulative claims summary since 1992 and Table 2 provides a comparison of claims from 2001 through the new claims for FY'2005. Ms. Ho explained that the policy year runs from March 1, 2004 to March 1, 2005.

Ms. Ho reported that, for the quarter, \$6,000 was recovered from third parties for auto physical damages, and a 2003 auto liability case in the amount of \$9,450.00 was settled. Ms. Ho stated that the Workers Compensation claims count remains in line with the prior four years. She advised that the overall FY'2005 experience to date is in line with prior years.

Chairman Sorensen thanked Ms. Ho for her report.

Mr. John Zeunik, County Administrator, introduced the review of the Fiscal Year 2006 Recommended Budget for the following departments:

County Clerk – 0001-0005 can be found on pages 18-20 of the Budget Book and pages 70-78 of the Summary. Mr. Zeunik reminded the Committee that this budget was discussed at the Special Finance Committee meeting, but, due to a change in State law, it was held over to this meeting. He pointed out that the most significant change in the Budget for both Revenue and Expense is the requirement under the Federal HAVA law to provide accessible voting machines that meet ADA requirements. As a result, the State has indicated that they will reimburse 100% of the expenses for these machines. Mr. Zeunik referred to the Reimbursement for Special Services line which has increased from \$6,525.00 in the FY'2005 Adopted Budget to \$346,500.00 in the FY'2006 Recommended Budget. On the Capital side, there is a significant increase due in the purchase of election equipment line item account. Mr. Zeunik indicated that many of the other lines reflect the two-year election expense cycle. He explained that 2006 is an even year election, which means that the associated expenses the Clerk's Office incurs in conducting that election are higher.

Mr. Zeunik referred back to the issue that prevented approval of the County Clerk's Budget at the last meeting, namely Public Act 94-0645, which added new provisions to meet the federal requirements imposed on States by HAVA, such as early voting, grace period voting, etc. Mr. Zeunik indicated that the County Clerk has prepared a Memo, which is included in the agenda packet on pages 75-76. This memo outlines the projected costs of these new requirements. He pointed out that on page 78 of the agenda packet there is a chart with a number of options for the Committee to review from a very a conservative approach in 2006 to an approach with multiple remote sites and opportunities for early voting and voting beyond what occurs in the County Clerk's Office.

Ms. Milton stated that Senate Bill 1445 is being considered in Veto Session at this time. This bill, if approved, may help make the early voting process a little more streamlined to maintain the integrity of the election process.

Ms. Milton shared some concerns regarding the maintenance cost on the electronic equipment. She stated there is a maintenance contract on the current machines. Ms. Milton indicated that maintenance needs to be included in the bid process for the new machines.

Chairman Sorensen asked for confirmation that the budget summaries do not include the additional expense to accommodate the changes incurred with Public Act 94-0645. Ms. Milton replied that is correct.

Ms. Milton advised the Committee that she examined the bill and noted where a change occurred that was different from what is being done currently in the County Clerk's Office. She stated that she tried to be as conservative as possible. Ms. Milton reported that, for the County Clerk's Office to be compliant with the current law, the estimated total cost is \$9,654.00. She highlighted the following estimates:

- Printing cost of new name change affidavits is estimated at \$330.00,
- Overtime costs are anticipated to be \$624.00,
- Publication costs are projected to be \$2,400.00,
- Printing forms is expected to be \$3,750.00,
- Additional seasonal employee cost is estimated at \$2,550.00.

Ms. Milton stated that these projected costs are minimum figures and the costs could be more. She also noted that some of the costs will be predicated upon whether or not the County Clerk's Office will be mandated to be one of the early polling sites.

Ms. Milton reviewed the early voting expenses. She noted that the largest expense will be the election judge salaries at \$80.00 per day or \$40.00 for half a day and the expense of training the judges and setting up the polling place.

There was some discussion regarding the early voting statistics and whether it offers more flexibility to people who typically vote anyway or is it attracting more people who may not have voted in the past. Ms. Milton replied that some of the reports she received from other Counties show that, with the early voting and no excuse mail-in voting, more people are voting. Mr. Moss asked Ms. Milton to make a report on increased voting statistics with the early voting option. Ms. Milton replied that she will conduct some research and prepare a report.

The Committee discussed the possibility of consolidating polling places should it become apparent that early voter turnout will be high and fewer people will vote on Election Day. Ms. Milton informed the Committee that there is a charge for each polling place used on Election Day, so consolidating would save money on location fees as well as judge's fees.

Ms. Milton reported that they have a commitment from the Town of Normal to use the Town Hall as a remote site for early voting. Craig Nelson, Director, Information Services, is working with the Clerk of the Town of Normal to provide access to the I Voter system so that she can verify signatures on line.

Ms. Milton advised that she is continuing to do some research on finding other polling sites, such as the Highway Department as per Member Selzer's request at the Special Committee Meeting. She indicated that she contacted the League of Women Voters to see if they would volunteer to man some of the early voting sites, and they were extremely interested.

Chairman Sorensen asked who could vote at the Normal precinct. Ms. Milton replied that any County resident can vote at the Normal precinct, but Bloomington residents cannot. The City of Bloomington Election Commission will handle early voting for residents of Bloomington.

Chairman Sorensen asked Ms. Milton for her recommendation. Ms. Milton suggested that starting small would be best. This year, she recommended having only two or three early voting places. She indicated that she hopes the County Clerk's Office is only a temporary site and not designated as a permanent polling place due to the logistics and the inconvenience of being mandated to be open on Sunday. Ms. Milton stated that she would like to have Normal and Illinois State University as two sites.

Chairman Sorensen reviewed the early voting election expenses as submitted by Ms. Milton. He pointed out that the \$624.00 for overtime, should the County Clerk's Office be mandated as a permanent site, would be the only expense listed that may not be necessary depending upon the designation. Ms. Milton agreed and advised that the other expenses listed would be essential. There was some discussion on maintenance costs and security needs if the County Clerk's Office needs to be a permanent site. Mr. Zeunik noted that at least one maintenance person would need to be available.

Chairman Sorensen suggested that the following expenses be integrated into the County Clerk's budget now. If the County Clerk's Office is designated as a permanent site, the overtime funds can be integrated at that time.

\$330.00	Printing (name change affidavits)
2,400.00	Publication
3,750.00	Printing (forms, envelopes, etc.)
<u>2,550.00</u>	Seasonal Employees
\$9,030.00	

Chairman Sorensen advised that the remodel on the Government Center and the additions to the parking deck caused First Midstate, the financial advisor to the Public Building Commission, to recalculate the debt service payment for the Government Center. Further, Chairman Sorensen recommended that, once

these expenses are integrated into the FY'2006 budget, it should be understood that additional adjustments may be necessary for possible overtime, facility rental, etc.

Mr. Zeunik suggested that, for purposes of amending the County Clerk's budget, the best option would be to amend the Occasional/Seasonal line by \$2,550.00; and the Printing and Publication costs of \$6,480.00 (\$330.00, \$2,400.00, \$3,750.00) would be added to Letterhead and Printing. The balance of the \$14,051.00, which was the suggested amendment, would be \$5,021.00. Mr. Zeunik recommended that, since there are so many unknowns at this point, that amount be put in Non-Contract Services or in Election Judges Expenses. With this approach, three line items will be amended in the Recommended Budget. This amendment will not impact the overall property tax levy.

Chairman Sorensen asked Ms. Milton if there were any other budget items she would like to discuss. Ms. Milton reiterated her desire for consideration of employee reclassifications in her office. She stated that Mr. Lindberg agreed to work with her on a desk audit, which became difficult to arrange. As an alternative, they met to discuss possible alternatives for reclassification, after which they decided that more discussion needs to take place. Ms. Milton stated that she would like an opportunity to come back to the Finance Committee after the budget is passed, if an agreement is reached on possible reclassifications. Chairman Sorensen replied that, while that is not a common practice, the Committee would be willing to consider the reclassification requests at a later date.

Motion by Owens/Nuckolls to recommend tentative approval of the County Clerk – 0001-0005 FY'2006 Recommended Budget as amended as follows: the Occasional/Seasonal line item be increased by \$2,550.00; the Letterhead and Printing line item be increased by \$6,480.00 and the Election Judges Expense line item be increased by \$5,021.00.

Chairman Sorensen requested that Ms. Milton return to the Finance Committee when all the information regarding early voting sites is available and a plan is in place. He stated that he agreed with Ms. Milton's suggestion that the number of early voting sites be confined to two sites, assuming that is in compliance with the law. Ms. Milton stated that she would like to limit the polling sites to the Normal precinct and the County Clerk's Office.

Motion carried.

County Clerk Document Storage Fund – 0137-0006 can be found on pages 21-24 of the Budget Book and pages 79-81 of the Summary. Mr. Zeunik reported that this is a Special Revenue Fund, which has a small budget of \$44,756.00. He stated that it supports one position in the County Clerk's Office. The total budget is a combination of fees collected and money from the Unappropriated Fund Balance. Mr. Zeunik noted that there is very little change in the fund. The Contract Services line has been budgeted at \$10,000.00 and the County Clerk's Office would like to use these funds to begin microfilming and scanning vital records.

Ms. Milton reported that the \$10,000.00 is earmarked for automation of marriage licenses. She stated that, at this time, the only records in the County Clerk's Office that are not replicated in another location at the State are the marriage licenses. Ms. Milton advised that she is meeting with vendors to discuss the potential of scanning the information for purposes of a back-up copy.

Motion by Moss/Berglund to recommend tentative approval of the County Clerk Document Storage Fund – 0164-0005 FY'2006 Recommended Budget as submitted.

Motion carried.

Chairman Sorensen asked if there were any further questions. Hearing none, he thanked her.

Member Owens excused himself from the meeting at 6:00 p.m.

Nursing Home – 0401-0090 can be found on pages 259-265 of the Budget Book and pages 82-88 of the Summary. Mr. Zeunik reported that the Nursing Home is an Enterprise Fund and the recommended total operating budget for FY'2006 is \$6,270,506.00, which represents a 5.58% increase over the FY'2005 Adopted Budget. Mr. Zeunik advised that the summary in the agenda packet provides the anticipated changes for the major Revenue accounts, noting there is no change in the Full-time Equivalent staffing level in FY'2006. The summary also provides information on the Expense line items in both the 600's and 700's that have changed significantly over the FY'2005 Adopted Budget. Mr. Zeunik highlighted the General Liability Insurance line item 719.0001, which shows an increase from \$120,000.00 to \$134,626.00. He stated that this reflects a tight insurance market for nursing home liability coverage. Mr. Zeunik indicated that Mr. Lee and Ms. Ho have been looking at options and alternatives to find more competitive rates or to find new markets willing to insure nursing homes.

Mr. Lee confirmed that the budget increases over 5%. He stated that the Salary line items were developed with the assistance of Mr. Lindberg and they represent 68% of the Nursing Home budget. Mr. Lee indicated that supply line items have increased significantly as some of the supplies are petroleum-based such as cleaning supplies, plastic, janitorial supplies, medical supplies, etc.

Mr. Lee pointed out that, throughout the budget, there are increases determined by the anticipated initiatives of the Federal Government through the State Department of Public Health. He stated that some of the Capital costs are based on the anticipation that the Nursing Home may be required to purchase equipment and supplies to assure the safety of the residents, for example, purchase of some new beds that will go completely to the floor. Mr. Lee also pointed out some anticipated Capital line expenses due to the age of the building.

Mr. Lee asserted that the budget is developed on a conservative basis. In addition, Mr. Lee stated that he expects to spend about 98% of the current budget and anticipates the same percentage for the new budget.

Motion by Nuckolls/Berglund to recommend tentative approval of the Nursing Home – 0401-0090 FY'2006 Recommended Budget as submitted.
Motion carried.

Chairman Sorensen thanked Mr. Lee for his conscientious management of the Nursing Home.

F.I.C.A. Social Security – 0130-0069 can be found on pages 221-222 of the Budget Book and 89-90 of the Summary. Mr. Zeunik reported that Illinois law allows the County Board to levy a property tax sufficient to meet the cost of participating in the Social Security Program (FICA), which includes the Social Security expense and participation in the Federal Medicare Program. He stated that the rate remains the same at 7.65%. Mr. Zeunik noted that the Interfund Transfer is the amount to be transferred to the Nursing Home to cover approximately 75% of the FICA expense at the Nursing Home and the transfer to the County Board's budget for 100% of the FICA expense at MetCom. He noted that the 75% is based on the amount of residents at the Nursing Home that are not private-pay. The census has been running at 25% private-pay residents. Medicare and Medicaid do not reimburse 100% of this expense, which is the basis for the transfer.

Mr. Zeunik stated that the total budget for FY'2006 is \$2,048,000.00, an increase of \$62,834.00, or 3.17% over the FY-2005 Adopted Budget.

Motion by Berglund/Nuckolls to recommend tentative approval of the F.I.C.A. Social Security – 0130-0069 FY'2006 Recommended Budget as submitted.
Motion carried.

I.M.R.F. Illinois Municipal Retirement Fund – 0131-0069 can be found on pages 223-224 of the Budget Book and pages 91-93 of the Summary. Mr. Zeunik advised the Committee that Illinois law authorizes the County Board to levy a General Property Tax in an amount sufficient to meet the cost of participating in the Illinois Municipal Retirement Fund pension program for County employees and for Sheriff's Department Law Enforcement personnel. He reported that in FY'2006 one change has been made in the Personal Property Replacement Tax. The County is required, by law, to budget \$21,403.00 in Personal Property Replacement Tax Revenue in the IMRF Fund. In FY'2006 it is recommended that be increased to \$100,000.00. Mr. Zeunik explained that the increase is to reduce the impact on the County's overall property tax levy because of the significant increase in the Sheriff's Law Enforcement personnel rate (SLEP rate) and also because the Personal Property Replacement Tax revenue, year-to-date, is running 37% over budget. The projected Personal Property Replacement Tax revenue for next year, as provided by the State, is significantly higher than anticipated.

Mr. Zeunik noted that the employer rate is 8.58% in FY'2006. For the current fiscal year, the rate is 6.50%. The SLEP rate is 19.01% in FY'2006. For the current fiscal year, the SLEP rate is 17.26%. He reported that the transfer is identical to the transfer in the FICA Social Security Fund, 75% for the Nursing Home and 100% of the IMRF expenses at MetCom. Mr. Zeunik advised the Committee there is a Bill in Veto Session that, if approved, will significantly increase the benefits available under the Sheriff's Law Enforcement Program. He noted that it will not affect the FY'2006 budget, but it potentially will affect the FY'2007 budget. As is typically the case, the Legislature is only asking the personnel to pick up 1% of that additional cost. Mr. Zeunik stated that, even though the benefits will be greatly enhanced for the SLEP personnel, the bulk of the cost is placed on the employer. He indicated that if this Bill is not enacted in the Veto Session, it will be acted on next spring in the Regular Session of the General Assembly.

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Mr. Zeunik informed the Committee that the majority of the County's Legislative delegation, both in the Senate and the House, have signed on as co-sponsors of the Pension Bill for the Sheriff's Police.

Motion by Berglund/Nuckolls to recommend tentative approval of the I.M.R.F. Illinois Municipal Retirement Fund – 0131-0069 FY'2006 Recommended Budget as submitted.
Motion carried.

Chairman Sorensen presented the October 31, 2005 Finance Committee bills for review and approval as transmitted by the County Auditor. The Finance Committee Fund total is \$533,316.35 with the prepaid total the same. The Nursing Home Fund is \$361,352.97 with the prepaid total the same.

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Motion by Nuckolls/Moss to recommend approval of the
October 31, 2005 Finance Committee bills as
presented by the County Auditor.
Motion carried

There being nothing further to come before the Committee at this time, Chairman
Sorensen adjourned the meeting at 6:18 p.m.

Respectfully Submitted,

Judith A. LaCasse
Recording Secretary

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