

## **Minutes of the Finance Committee**

The Finance Committee of the McLean County Board met on Wednesday, October 1, 2008 at 7:30 a.m. in Room 400 of the Government Center, 115 East Washington Street, Bloomington, IL.

Members Present: Vice Chairman Owens; Members Moss, Clark, Butler and Rackauskas

Members Absent: None

Other Members Present: None

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:

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

Others Present: Ms. Carol Ash, Chief Deputy County Clerk; County Clerk's Office; Ms. Michelle Anderson, Financial Reporting Specialist; County Clerk's Office; Ms. Connie Clifford, Chief Deputy Assessment Officer, Supervisor of Assessment's Office; Ms. Julie Osborn, Chief Deputy Auditor, County Auditor's Office

Vice Chairman Owens called the meeting to order at 7:30 a.m.

Vice Chairman Owens presented the minutes from the September 3, 2008 Finance Committee Meeting to the Committee for approval.

Motion by Moss/Clark to approve the Minutes of the September 3, 2008 Committee Meeting.  
Motion carried.

Mr. Don Lee, Director, Nursing Home, presented his Monthly Report, noting that there is nothing specific to report. He stated that the Financial Report for September shows that September was a good month. Mr. Lee credited Ms. Becky McNeil, County Treasurer, for making wise investments on behalf of the Nursing Home.

Ms. Rackauskas asked if there is any way to increase the census. Mr. Lee responded that the Nursing Home's positive reputation with local physicians is the best marketing tool for the Nursing Home. He advised that one wing of the Nursing Home is set up for lighter care than the other two wings. This wing is the one with vacancies. Mr. Lee projected that they may decide to convert part of that wing to supportive living beds. He added that the Nursing Home's occupancy is not as low as many other nursing homes in the community. Mr. Lee also noted that more people are staying at home. He expects this may change as the population ages.

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

Ms. Jackie Dozier, County Auditor, presented an internal audit report. She stated that the insurance requirements for the lease agreement with Fusion Brew were not fulfilled. Ms. Dozier indicated that the vendor was asked to add additional coverage to include McLean County and the Public Building Commission on the policy. She advised that both have been completed in order to meet the contractual requirements.

Ms. Dozier recommended that proof of insurance be required to be included with the return of the signed contract.

Ms. Dozier reviewed the Revenue Stamp Inventory Turn-ins. She indicated that, since the August Finance Committee meeting, turn-ins have been made daily.

Ms. Dozier noted a difference of \$.85 between the general ledger and Recorder's records. She noted that the source of the difference, from 2006, was found. Ms. Dozier advised that the Recorder had not been reconciling to the general ledger since that time.

Ms. Dozier recommends that the Recorder's Office reconcile to their records, and reconcile monthly to the general ledger records. She added that she believes the Recorder's Office reconciled with the general ledger this month.

Ms. Dozier reported that the Auditor's Office has been performing the required quadrennial audit of Information Technologies capital assets. She noted that Information Technologies staff has not routinely prepared capital release forms when assets are destroyed, transferred or used for spare parts. This makes it extremely time-consuming and difficult for audit staff to reconcile capital asset records.

Ms. Dozier recommended that Information Technologies review the asset control procedures used by the office and consider ways that accurately and timely record their capital asset purchases, transfers and disposals.

Ms. Dozier advised that the County Clerk has exceeded the department's budget appropriation in the 800 line-item category, "Capital Assets", by approximately \$30,000.00. She stated that the Auditor's Office requested that the County Clerk provide an appropriation transfer to move funds within the budget from another category. Ms. Dozier indicated that the County Clerk's Office informed her that they are working on an Emergency Appropriation Ordinance, which will take care of this matter.

Ms. Rackauskas asked for clarification on "manual checks" as mentioned in the Recorder's record keeping procedures. Ms. Dozier replied that a manual check is entered into the system for emergencies only. The 85 cent error was the result of rounding up the check to an even number at the request of the Recorder. The modification was not changed in the general ledger. Ms. Dozier reiterated that manual checks are only written for an emergency.

Mr. Moss asked if other department heads regularly reconcile to the general ledger. Ms. Dozier replied that they should. She added that the cash account audits the Auditor's Office conducts will determine if the departments are reconciling to the general ledger.

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

Vice Chairman Owens presented County Recorder's General Report as submitted by Mr. Lee Newcom, County Recorder. Vice Chairman Owens stated that Mr. Newcom was unable to attend the meeting, but intends to make comments on the County Auditor's report at next month's meeting.

Ms. Peggy Ann Milton, County Clerk, presented a request for approval of an Emergency Appropriation Ordinance Amending the McLean County Fiscal Year 2008 Combined Annual Appropriation and Budget Ordinance, General Fund 0001, County Clerk's Office 0005.

Ms. Milton stated that, based on election changes associated with HAVA (Help America Vote Act)/ADA accessibility requirements and the large expected voter turnout for the General Election, additional expenses are needed.

Ms. Milton advised that this Emergency Appropriation is to make the revenue and expense lines balance in the budget. She stated that when she met with the County Administrator's Office for the Fiscal Year 2008 budget, she was not sure if the County Clerk's Office would receive the grant money from HAVA. Ms. Milton indicated that she recently learned that the County Clerk's Office will receive the funds. She noted that she worked with the Administrator's Office to add the \$104,000.00 to the revenue side, but failed to add it to the expense side. Ms. Milton explained that, in previous years, the HAVA funds were used to reimburse back expenses. This year was the first year the expenses were paid forward. Ms. Milton noted that she does not expect any HAVA funds coming to the County in the future.

Ms. Milton reported that, to date, the State Board of Elections has reimbursed the County Clerk's Office \$81,900.00. She noted that an additional \$18,000.00 will be received soon.

Ms. Milton stated that all of the \$104,000.00 will come back from the State Board of Elections into the County Revenue.

Ms. Milton reiterated that expenses are up because of the general election. She cited the additional voter registrations for Illinois State University students.

Mr. Butler asked if students at ISU can register in McLean County. Ms. Milton replied that they can, though they should vote by absentee ballot. She noted that this causes a lot of extra work for the County Clerk's Office. Mr. Butler asked if these same students are registered in their home towns, could they vote twice. Ms. Milton replied that theoretically they could. However, they are implementing a new State-wide program that cross checks these registrations.

Ms. Rackauskas asked if this "double" registering is happening nationally. Ms. Milton replied that she does not know, but she will find out.

There was continued discussion regarding the voter registration process, particularly the difficulty in registering college students, and the time consuming efforts to determine if the students are registered in their home towns as well.

Vice Chairman Owens asked if the voting machines have gone up in price since they were purchased last year. Ms. Milton replied that they have not gone up in price, rather more machines were purchased because they added more polling places and early voting sites. Five additional machines were purchased for a total of ten machines.

Vice Chairman Owens asked what is the status on the purchase of a photocopier and optical machine. Ms. Milton replied that the last payment has been made on the optical scan machines. Mr. Lindberg noted that the copier is an on-going expense.

Motion by Clark/Rackauskas to recommend Approval of an Emergency Appropriation Ordinance Amending the McLean County Fiscal Year 2008 Combined Annual Appropriation and Budget Ordinance, General Fund 0001, County Clerk's Office.  
Motion carried.

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

Mr. Robert Kahman, Supervisor of Assessments, along with Ms. Connie Clifford, Chief Deputy Assessment Officer, Supervisor of Assessment's Office, presented the Assessment Status Report. He noted that the report has been updated by Ms. Clifford.

Mr. Moss asked if Mr. Kahman is inconvenienced by having to attend Finance Committee meetings. Mr. Kahman replied that he has a Bible Study class at 6:30 a.m. on Wednesday mornings, which makes it difficult to attend the meeting. He added that he does not bring a lot of action items to the Committee. Mr. Kahman stated that if he has nothing of importance to share with the Committee, he sees no reason to attend. He noted that he would be glad to answer questions at any time in his office.

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

Ms. Becky McNeil, County Treasurer, presented a request for approval of a Resolution to authorize the Chairman of the McLean County Board to Execute a Deed of Conveyance on Parcel (15) 30-20-426-0001 to LeRoy Fertilizer Services.

Ms. McNeil reviewed the Delinquent Real Estate Tax Liquidation 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 the unsold parcels. Those parcels were previously forfeited. By a change in the Illinois State Statute and by our adoption of this program, the County entered into an agreement with the Joseph E. Meyer and Associates. Joseph E. Meyer and Associates serves as a trustee for the County and the taxing body. Those parcels at tax sale that are not purchased by tax buyers are purchased by the County Trustee. Ms. McNeil stated that the County acquires deed through the normal statutory tax process. Those parcels then become part of the County's portfolio. Ms. McNeil noted that there are currently 15 parcels in the portfolio. She indicated that each year, the County holds a surplus auction and each year one to three of those parcels comes off of the portfolio as the individuals purchasing are purchasing at a minimum bid of \$500.00.

Ms. McNeil referred to Parcel (15) 30-20-426-0001, noting that this parcel had an original delinquency of over \$3,000.00 by the time the County acquired the deed. Through this program, individuals can come forward and make a bid and acquire title to these properties; therefore, putting them back on the tax rolls.

Ms. Rackauskas asked what is the time frame for this process. Ms. McNeil replied that there are approximately 2700 parcels that are delinquent. Of those, Ms. McNeil expects 900-1000 will go to tax sale on November 6<sup>th</sup>. Ms. McNeil stated that not all of the properties will be purchased because the property is in poor condition or is only a strip of land. The County trustee will bid on those parcels that are not sold. After three years, the County petitions the Court for a tax deed to that parcel through their failure to redeem the taxes. Ms. McNeil indicated that the property then enters into the County's portfolio.

Ms. McNeil advised that there was one bid on Parcel (15) 30-20-426-0001 from LeRoy Fertilizer Services. By 2009, this parcel will be back on the tax rolls.

Ms. McNeil indicated that the Delinquent Real Estate Tax Liquidation Program has significantly cleaned up the portfolio. She noted that the only property taxes that are forfeited now are the ones that must be forfeited due to a bankruptcy filing.

Ms. Rackauskas asked how many of these properties has the County owned since 1999. Ms. McNeil replied that she will find out and let her know. She noted that yearly there are parcels coming on and parcels coming off.

Motion by Butler/Rackauskas to recommend Approval of a Resolution to Authorize the Chairman of the McLean County Board to Execute a Deed of Conveyance on Parcel (15) 30-20-426-0001 to LeRoy Fertilizer Services.

Motion carried.

Ms. McNeil reviewed her Financial Reports for the period ending September 30, 2008, as distributed. She advised that there is a lot of updating that needs to occur as the interest is not yet posted for September. Ms. McNeil stated that there are a lot of revenue numbers that will be posted as of September 30<sup>th</sup>. She noted that it was difficult to get all of the information updated for a meeting on October 1<sup>st</sup>.

Ms. McNeil reviewed the Statement of Revenues, Expenditures and Fund Balance. She noted that the interest rates are going down, which means that interest earned from investments is going down. Ms. McNeil pointed out some reduction in activity in the Recorder's Office and Building and Zoning, which reflects what is going on in the economy. She noted that we are 75% through the year. Statistics are as follows:

- The Fund Balance at the beginning of the year was \$10,824,532.32;
- The total Revenue as of September 30, 2008 was \$23,151,741.79, which is 72.70% of budget;
- Expenditures were \$24,217,231.96, which is 76.05% of budget;
- The Fund Balance as of September 30, 2008 was \$11,769,515.18.

Ms. McNeil reviewed the Summary of Retailers Occupation Tax, State Income Tax and Personal Property Replacement Tax Revenue Report for the month ending September 30, 2008, as follows:

- Sales Tax Year to Date is \$3,626,931.89, which is 1.61% above last year.
- Revenue Sales Year to Date is \$449,927.77, which is -4.70% below last year.
- Local Use Year to Date is \$220,669.11, which is 10.52% above last year.
- Retailers Occupation Tax Revenue Year to Date is \$4,297,528.74, which is 1.33% above last year and 72.83% of budget.
- State Income Tax Revenue is \$1,531,243.30, which is 9.40% above last year and 82.75% of budget.
- Personal Property Replacement Tax Revenue is \$1,410,107.06, which is 2.95% above last year and 83.40% of budget. Two more payments are scheduled to come through.
- General Fund Property Tax Revenue is \$7,143,971.54, which is 94.45% above last year.

Ms. McNeil reported that September was a significant month for the Treasurer's Office as they passed the second installment due date and completed all of the real estate tax distributions for the taxing bodies.

Ms. McNeil advised that the Property Tax sale is coming up soon.

Ms. McNeil noted that this process will be completed in the month of December. She indicated that everything else will be pulled into the General Fund, such as the Collector interest earned from delinquent property taxes. Ms. McNeil indicated that this will come in as well as the final tax distribution.

Ms. McNeil reviewed the Employee Benefit Fund, which is the Fund from which all of the Employee Benefits are paid. She indicated that this Fund started the year with a fund balance of \$356,312.01. As of June 30, 2008, the fund balance had dropped to \$256,880.52. As of September 30, 2008, the fund balance has dropped to \$205,098.13. Ms. McNeil predicted that the year will end with a positive fund balance.

Ms. McNeil indicated that the item that is variable is the employee wellness rebates. She noted that this has started to trickle down. Ms. McNeil indicated that there were quite a few rebates in the first half of the year, but there are now less and less rebates. She explained that these are rebates due to employees as par

Ms. McNeil reviewed the CDAP Revolving Loan Fund quarterly report. She pointed out that there are currently six loans. Ms. McNeil advised that Boitnott Foods is still in litigation. She stated that Victory Enterprises' payment is currently outstanding. Ms. McNeil indicated that this loan is consistently one to two months behind. She noted that the balance on this loan is \$35,537.63. Ms. McNeil expressed confidence that the loan will be repaid. She stated that Victory Enterprises is a dry cleaning business.

Ms. McNeil advised that the fund currently has a balance of \$624,662.96 available for lending. She indicated that Mr. Marty Vanags, Economic Development Council, works with individuals to make them aware of these funds.

Ms. McNeil stated that she has nothing specific to convey on the Investment Report.

Motion by Butler/Moss to accept and place on file the  
Month-end Financial Reports from the County  
Treasurer's Office for the month ending September  
30, 2008, as submitted.  
Motion carried.

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

Mr. John Zeunik, County Administrator, introduced the review of the Fiscal Year 2009 Recommended Budget for the following departments:

**Nursing Home – 0401-0090** can be found on pages 266-273 of the FY'2009 Recommended Budget Book and pages 43-49 of the Summary. Mr. Zeunik reported that the Nursing Home is an Enterprise Fund and the recommended total operating budget for FY'2009 is \$7,463,930.00, which represents a -27.14% decrease from the FY'2008 Adopted Budget of \$10,243,508.00. He explained that last year's budget was an "outlier year" in that the budget was prepared in anticipation of receiving a considerable payment through the Intergovernmental Transfer formula, which is the Federal-State formula that allows the County to recapture additional money because the Nursing Home is a publicly owned and operated nursing home.

Mr. Zeunik referred to page 266 of the FY'2009 Recommended Budget, Line Item #407-0040, Illinois Public Aid. He noted that, under the Adopted Budget column, the figure was \$6,518,918.00 and Last Year Actual was \$6,628,020.00. Based on that figure, the Recommended Budget was increased to

\$6,518,918.00. Under the heading "Administration," the figure was reduced to \$3,621,457.00, which is more consistent with what was budgeted in 2007. Mr. Zeunik indicated that the County has been advised that the formula is going to be changed and the County will receive less money. He explained that this is why the budget went from \$10.2 million in 2008 to a budget of \$7.4 million in the FY'2009 Recommended Budget.

Mr. Zeunik addressed the issue of Private Pay, noting that the Private Pay rate is proposed to increase from \$136.00 to \$144.00. The revenue projections prepared by Mr. Lee are based on the average census of 138 residents.

Mr. Zeunik stated that there is No Change in the FTE staffing level in the FY'2009 Recommended Budget.

Mr. Zeunik pointed out, on page 266, that the "Transfer From Other Funds" of \$717,219.00 has been part of the Nursing Home's budget for many years. He noted that this reflects that neither Medicare nor Medicaid will reimburse 100% of the cost at the Nursing Home. As a result, funds are transferred from the F.I.C.A. Fund, the Illinois Municipal Retirement Fund (I.M.R.F.) and the Tort Judgment Fund to cover that portion of costs that are not reimbursable.

Mr. Zeunik pointed out that the Commodities expenses are down 3%, and Contractual Expenses are down 63%, which is because the Intergovernmental Transfer payment is not being reflected.

Mr. Zeunik advised that, under Capital Projects, the Nursing Home continues to make improvements, including a new Nurse Call system. He noted that Mr. Lee will present a recommendation on a bid at the Property Committee meeting on Thursday, October 2<sup>nd</sup> for the Nurse Call system. Other improvements include:

- New fire alarm panel;
- Seal the parking lot and ambulance drive;
- Continue to update residents rooms and commons areas;
- Continue to replace beds, televisions, dining room furniture.

Mr. Zeunik indicated that there is a request, under Line Item 840.001, to purchase a new heavy duty pickup truck for the Nursing Home Facilities Management staff.

Ms. Rackauskas observed that the Nursing Home went from one LPN, who was the Assistant Director of Nursing and one RN to two RN's. Mr. Lee replied that the LPN resigned and another RN was hired.

Vice Chairman Owens questioned the increase in Workers Compensation Insurance from \$60,000.00 in the FY'2008 Adopted Budget to \$229,000.00 in the FY'2008 Recommended Budget. Mr. Lee replied that \$60,000.00 has been sufficient for the past few years. However, he advised that there were one or two cases last year that necessitated the increase in funds this year. Mr. Lee noted that he is not sure if this increase will continue into the future.

Mr. Moss asked if the pickup truck replaces an old truck. Mr. Lee responded that it replaces its old truck.

Motion by Clark/Rackauskas to recommend tentative approval of the Nursing Home – (0401-0090) FY'2009 Recommended Budget as submitted.  
Motion carried.

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

**County Auditor – 0001-0003** can be found on pages 10-11 of the FY'2009 Recommended Budget and pages 26-28 of the Summary in the Agenda packet.

Mr. Zeunik pointed out a typographical error on page 26 of the packet. "Materials and Supplies" for the FY'2009 Recommended Budget should be changed from \$16,100.00 to \$15,100.00.

Mr. Zeunik advised that the budget is down 9%. He reminded the Committee that there is no revenue in the Auditor's Budget. Mr. Zeunik explained that the FTE staffing level of 6.5 FTE in the FY'2009 Recommended Budget reflects the same number of positions as approved in the FY'2008 Recommended Budget. However, funds have not been budgeted for the position of Internal Auditor in Fiscal Year 2009. This change is based on reassigning the duties and responsibilities previously handled by the Internal Auditor to other staff in the office. Mr. Zeunik stated that the position was retained with the understanding that the Auditor will continue to monitor the work and, if necessary, the position will be funded again. Mr. Zeunik added that benefits are down because the employee health insurance for the Internal Auditor position is not being charged.

Mr. Zeunik indicated that Supplies are down 2%. Contractual Services are up slightly due to the Equipment/Maintenance Contract line item. Mr. Zeunik noted that Capital Assets are down as there is no request for furniture in this year's budget.

Ms. Dozier advised that she does not believe she will ask for the Internal Auditor position back because the person doing the grant work is very capable. She indicated that the part-time person may be increased by another day.

Ms. Rackauskas expressed her appreciation that the Auditor's Office makes the attempt to keep expenses down.

Motion by Moss/Rackauskas to recommend tentative approval of the County Auditor's Office – (0001-0003) FY'2009 Recommended Budget as amended.  
Motion carried.

Vice Chairman Owens asked if there were any other questions or comments. Hearing none, he thanked Ms. Dozier.

**County Treasurer – 0001-0004** can be found on pages 12-14 of the FY'2009 Recommended Budget and pages 29-32 of the Summary in the Finance Committee Packet.

Mr. Zeunik stated that this is the General Fund budget, which is the largest budget in the Treasurer's Office. He reported that revenue next year is projected to decrease, from \$1,193,200.00 to \$1,035,225.00, which is a -13.24% decrease.

Mr. Zeunik pointed out the following decreases in Revenue:

- 415.0001 Interest on Investments revenue line item account has decreased from \$418,000.00 in the FY'2008 Adopted Budget to \$315,000.00 in the FY'2009 Recommended Budget, which is attributable to the decrease in interest rates on money market accounts and certificates of deposit.
- 514.0003 Costs/Interest on Delinquent Taxes revenue line item account has decreased from \$525,000.00 in the FY'2008 Adopted Budget to \$500,000.00 in the FY'2009 Recommended Budget. This decrease is based on a review of the actual revenues received in FY'2007 (\$472,738.00).
- 415.0400 Interest on Certificates of Deposit revenue line item account has decreased from \$245,000.00 in the FY'2008 Adopted Budget to \$215,000.00 in the FY'2009 Recommended Budget. This decrease is based on the lower interest rates on Certificate of Deposit investments offered by financial institutions.

Mr. Zeunik stated that there is No Change in the staffing level in the FY'2009 Recommended Budget.

Mr. Zeunik noted that Commodities and Supplies are down 2% over this year's Budget, and Contractual Services are up 5%. Mr. Zeunik indicated that Capital is up because of a request for furniture, including a conference table for the office.

Mr. Zeunik indicated that all Contractual line item accounts in the FY'2009 Recommended Budget have been budgeted at the same levels or less as in the FY'2008 Adopted Budget with a few small increases in Advertising/Legal Notices, Contract Services, Schooling & Conferences and Bank Service Change.

Ms. McNeil stated that she is doing her best to project the interest on the delinquent property taxes. This year there were 30 days cut out of the tax cycle, which is 30 days of interest that was lost, not only on the investment side but also from the delinquent property tax revenue. Ms. McNeil advised that the interest that comes in from those that pay their property taxes delinquent is quite significant. She noted that if we push that overall tax cycle back and if we reduce the number of days that we are collecting, the number will come down.

Motion by Butler/Rackauskas to recommend tentative approval of the County Treasurer's Office – (0001-0004) FY'2009 Recommended Budget as submitted.

Motion carried.

**Collector Automation Fund – 0168-0004** can be found on pages 15-16 of the FY'2009 Recommended Budget and pages 33-35 of the Summary. This revenue line item account has been budgeted at \$26,000.00 in the FY'2009 Recommended Budget, which is an increase of \$1,000.00 over the FY'2008 Adopted Budget. This revenue amount is based on a review of last year's actual revenue of \$26,575.00. Mr. Zeunik stated that this is a special revenue fund that was established to assist the County Treasurer's Office with automation and document storage. Through the collection of an Automation fee, the County Treasurer's Office has available funds which can be used to purchase capital equipment, computer hardware and software. Mr. Zeunik noted that, as a Special Revenue Fund, the fund must be balanced within the fund.

Mr. Zeunik stated that, since this fund has been established, Ms. McNeil has recommended that the \$25,000.00, which is what is typically collected each year, be transferred to the County's General Fund to offset the expenses incurred by Information Technologies. Information Technologies provides all of the automation services to the Treasurer's Office.

Mr. Zeunik indicated that, under Expenditures, 773.0001 Non-Contractual Services is a new line item account that has been added in the FY'2009 Recommended Budget. This line item has been budgeted at \$1,000.00.

Mr. Moss asked what is this expenditure. Ms. McNeil responded that this line item was established in case there are additional services the Treasurer's Office needs. She indicated that, next year, they would like to move to Image Direct Deposit for the property tax payments. This is a process where, as people pay their property taxes, equipment in the office scans the checks and electronically transmits the deposit to the bank.

Mr. Butler asked what happens to the physical checks. Ms. McNeil replied that they will be held for 14 days and then destroyed. She added that the Treasurer's Office will follow the bank rules on electronic transmission of checks.

Motion by Clark/Butler to recommend tentative approval of the Collector Automation Fund – (0168-0004) FY'2009 Recommended Budget as submitted.

Motion carried.

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

**County Clerk – 0001-0005** can be found on pages 17-19 of the FY'2009 Recommended Budget and pages 36-39 of the Summary. Mr. Zeunik reported that the total revenue has decreased from \$344,460.00 in the FY'2008 Adopted Budget to \$274,380.00 in the FY'2009 Recommended Budget, which is a -20.34% decrease. Mr. Zeunik noted that line item account 0404.0200 Help America Vote Act Grant decreased from \$104,100.00 in the FY'2008 Adopted Budget to \$0.00 in the FY'2009 Recommended Budget. This decrease is based upon the anticipated end of the Help America Vote Act grant funding for the purchase of election equipment.

Mr. Zeunik advised that, in terms of revenue, there is a proposed increase being supported in the County Clerk's Office and the Health Department to increase the vital records fee from \$12.00 to \$15.00 for the first copy and an increase of \$3.00 for each additional copy. He stated that that Licenses, Permits and Fees would increase from \$200,460.00 in the FY'2008 Adopted Budget to \$244,430.00, which is an increase of 22%. He noted that this increase is attributable to the proposed increase in the vital records fees.

Mr. Zeunik indicated that next year is an odd year in the election cycle. As a result, the anticipated reimbursement for Election Judges' expenses will be less than in even years. Mr. Zeunik added that this is driven because less election judges are required in an odd year election. He added that, at this time, we do not know how many primaries, if any, the County Clerk will have to hold in February. In the odd year, the primary occurs in February and the general election occurs in April.

Mr. Zeunik reported that, on the Expense side, there is no change in the FTE staffing level in the FY'2009 Recommended Budget.

Mr. Zeunik stated there is a slight increase in Commodities, which is up 3% over last year. This is largely driven by an increase in books and postage.

Mr. Zeunik noted that Contractual Services is down 5% due to the fact that it is an odd year election, and the election expenses in an odd year are less than in the general election in even years.

Mr. Zeunik advised that the biggest decrease is in the Capital Assets. He indicated that there are no payments due in 2009 because the last payment on the Optical Scan Equipment was made this year. Next year, the only expense will be the Lease Purchase expense for the photocopiers in that office.

Mr. Zeunik noted that the County Clerk and the Chief Deputy Clerk are available to answer questions or make additional requests to the Committee.

Ms. Milton thanked Mr. Zeunik and Mr. Lindberg for their assistance with the Budget. She advised that, since the budget meeting, she has learned that Early Voting Judge Reimbursement was approved by the State Board of Elections and the Legislature. She indicated that regular Judges will get \$25.00 per judge. Ms. Milton noted that this amount is in the budget, both on the expense and the revenue side. She advised that Judges are getting an increase of \$25.00, which is not reflected in the budget. Ms. Milton noted that the State will be reimbursing that \$25.00, so it will be a wash. She stated that this was not in the budget

because it had not yet been approved at that time. Ms. Milton pointed out that one year the State neglected to reimburse the County for this fee. She anticipates receiving the money.

Ms. Milton expressed her support of the fee increase to \$15.00. She noted that when MAXIMUS did the cost accounting study several years ago, they recommended a \$22.00 vital record fee. Ms. Milton added that the State charges \$15.00. Mr. Zeunik advised that the \$15.00 fee is comparable to other Central Illinois Counties.

Ms. Milton speculated that the County may receive more HAVA funds due to more changes that may be required.

Ms. Milton advised that one of the reasons the expenses are less in a consolidated year is because the County is permitted to combine precincts in an odd year, which they are not permitted to do in an even year. Combining precincts reduces the cost.

Ms. Milton declared that the County Clerk's Office is understaffed. She stated that, when an election was held on one day, it was possible to use the summer months to catch up. With the election no longer limited to one day a year, the deadlines for election overlap, so it is impossible to borrow staff from other duties to help with elections. Ms. Milton pointed out that there are currently a lot more election responsibilities, which is why a reclassification is being requested.

Ms. Milton advised that, while she understands budget considerations, the County Clerk's Office is understaffed and requires additional staffing. She pointed out that compared to other Illinois Counties, with like population, the McLean County Clerk's Office is understaffed.

Ms. Rackauskas recommended that the Bloomington Election Commission be consolidated into the County. Mr. Zeunik replied that the City of Bloomington Election Commission can be eliminated, but only by referendum within the City of Bloomington. He advised that a petition would have to be submitted to the Circuit Court because the Election Commission is supervised by the Circuit Court. A petition would call for a question to be placed on the ballot and if a majority of the voters in Bloomington approved abolishing the Election Commission, it would be abolished and the responsibilities would be folded under the County Clerk. Mr. Zeunik indicated that the last time that happened was in Sangamon County where a referendum was conducted and the City of Springfield Election Commission was abolished. He stated that Peoria County attempted such a referendum and it was voted down.

Ms. Rackauskas suggested that times and attitude may have changed in light of the current economy and a consolidation would be looked upon favorably. She asked what the County can do to move this type of referendum forward. Mr. Zeunik replied that it would require a concerned group of citizens, such as the League of Women Voters, to circulate a petition to people who live and vote in Bloomington. The petition would need to be presented and then put on the ballot for Bloomington voters to decide. Mr. Zeunik added that the only other way it could be changed is for the Legislature to change it in Springfield. He noted that there are currently, in existence in Illinois, nine separate City Election Commissions. Mr. Zeunik advised that the City of Chicago is the largest; others include Peoria, Bloomington, Danville, Galesburg, Aurora and Rockford. He indicated that DuPage County is a consolidated County Election Commission.

Ms. Rackauskas recommended that the County Board discuss and make a statement in support of consolidating the Bloomington Election Commission with the County Clerk's Office. Mr. Clark suggested that the effort would be more successful through other means, such as a citizens group. Mr. Butler concurred that the City of Bloomington may be more receptive if approached by the League of Women Voters. Mr. Moss added that even adding the Bloomington Election Commission's budget into the County Clerk's budget, the expense may be prohibitive.

Ms. Milton commented that she respects the work that the City of Bloomington Election Commission does. She pointed out that the County Clerk's Office has 2.5 FTE election staff members and handles more precincts and more voters than the Bloomington Election Commission, which she feels is a bit lopsided. Ms. Milton also noted that there is, indeed, duplication between the two offices.

Ms. Milton reiterated that the election responsibilities continue to increase and personnel remains steady. She stated that there has been some discussion regarding the Constitutional Convention. Ms. Milton advised that she received word from the State Board of Elections that if the Constitutional Convention referendum question, which is on the ballot, is approved, it may cause an additional election or two next year. She indicated that if the Constitutional Convention passed, the budget will not be adequate to fund two additional elections besides the primary and the consolidated. Ms. Milton predicted that there will only be a consolidated election.

Motion by Moss/Clark to recommend tentative approval of the County Clerk's Office – (0001-0005)  
FY'2009 Recommended Budget as submitted.  
Motion carried.

**County Clerk Document Storage Fund – 0137-0006** can be found on pages 20-23 of the FY'2009 Recommended Budget and pages 40-42 of the Summary. The FY'2009 Recommended Budget is \$48,268.00, which is a 4.44% increase.

Mr. Zeunik reported that this Special Revenue Fund was established to assist the County Clerk's Office with automation and document storage. Through the collection of a Document Storage Fee, the County Clerk's Office has available funds which can be used to purchase automated document storage systems, contract for services, purchase capital equipment and purchase computer hardware and software. As a Special Revenue Fund, the fund must be balanced within the fund.

Mr. Zeunik stated that the Document Storage Fee is projected to generate \$27,500.00. He advised that the budget is balanced using money from the Fund Balance per the outside auditor's 2007 audit. The fund balance as of December 31, 2007 totaled \$42,730.00.

Mr. Zeunik stated that there is no change in the FTE Staffing level in the FY'2009 Recommended Budget. He indicated that this is a budget where there are 1.28 FTE's budgeted. The Fringe Benefit expenses budgeted in this fund reflect the cost of those positions.

Mr. Zeunik noted that, under Contractual Services, line item account 773.0001 Non-Contract Services, has a budget of \$10,000.00 to provide for document storage, which allows the County Clerk's Office to do microfilming and indexing of vital records that must be retained in the office.

Motion by Clark/Rackauskas to recommend tentative approval of the County Clerk Document Storage Fund – (0164-0005) FY'2009 Recommended Budget as submitted.  
Motion carried.

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

Mr. Zeunik announced that the Finance Committee will hold a special meeting on Tuesday, October 8, 2008 at 1:00 p.m. to complete the budget reviews. He noted that, at the November 5<sup>th</sup> Finance Committee meeting – the day after the election – the position reclassification requests will be considered.

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Ms. Dozier advised that the Financial Reporting Specialist in the Auditor's Office has also taken on additional responsibilities. She wanted to be sure that the Committee understands that two employees in the Auditor's Office have taken on added duties.

Vice Chairman Owens presented the September 30, 2008 Finance Committee bills for review and approval as transmitted by the County Auditor. The Finance Committee bills include a Pending Total of \$6,868.73 and a Prepaid Total of \$981,261.43 for a Fund Total of \$988,130.16.

Motion by Rackauskas/Clark to recommend approval of the Finance Committee bills and the transfer as of September 30, 2008 as recommended by the County Auditor.  
Motion carried.

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The Nursing Home bills include a Fund Total of \$529,034.27 with a Prepaid Total that is the same.

Motion by Rackauskas/Butler to recommend approval of the Nursing Home bills as of September 30, 2008 as recommended by the County Auditor.  
Motion carried.

Mr. Moss reminded the Committee that he asked, at last month's meeting, that Mr. Kahman be asked to attend the Finance Committee meeting in case there were any questions for him. Mr. Moss advised that he ran into Mr. Kahman in the hallway after that meeting and Mr. Kahman explained to him why he did not attend the meetings. He expressed his surprise that Mr. Kahman attended the meeting today. Mr. Moss expressed his belief that Mr. Kahman has an obligation to attend the meeting in case there are questions.

Mr. Moss recommended that Mr. Kahman or someone from his office attend the meetings each month. He added that he did not appreciate Mr. Kahman's singling him out earlier in the meeting.

Vice Chairman Owens agreed that if a department has an item on the agenda, a representative should be present at the meeting to answer questions. He advised that he will discuss this situation with Board Chairman Sorensen.

Mr. Zeunik stated that the comments that Mr. Moss made are appropriate and the Committee can require that a Department Head attend the meetings.

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Mr. Butler indicated that if the Department had no problems, there wouldn't be anything to discuss. Mr. Moss responded that, if a question came up, there would be no one to ask. He pointed out that Mr. Lee always attends the meetings.

Mr. Butler asked if it is mandatory that Department Heads attend. Vice Chairman Owens replied that generally they attend when they have an action item. He added that the majority of Elected Officials and Department Heads attend meetings.

Ms. Milton asked if the time of the meetings will be discussed again. Vice Chairman Owens replied that it will be discussed in December after the new Board is seated.

There being nothing further to come before the Committee at this time, Vice Chairman Owens adjourned the meeting at 9:30 a.m.

Respectfully Submitted,

Judith A. LaCasse  
Recording Secretary

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