

APPROVED—AUGUST 17, 2010



Finance Committee

Justice Center Community Room
Tuesday, July 20, 2010 – 3:00 p.m.

Committee Members Present: Chairman Tim Neuhauser, Vice-Chairman James Carius, Russ Crawford, Jan Donahue, Dean Grimm, Linc Hobson, Carroll Imig, Jerry Vanderheydt and Terry Von Boeckman

Committee Members Absent: Mike Harris, Darrell Meisinger

Others: County Administrator David Jones

MOTION

MOTION BY IMIG, SECOND BY VON BOECKMAN

to approve the minutes of the June 22, 2010, meeting.

On voice vote, MOTION CARRIED.

**MOTION
RC CB
F-10-22**

MOTION BY DONAHUE, SECOND BY GRIMM

to recommend to the County Board to approve a transfer request for the County Board.

Administrator Jones said that there are concerns over revenues. The revenues from the General Fund in 2009 were down 7% with a strategic use of the fund balance in the last fiscal year of \$175,000. A fair amount of the expenditures from 2009 are on the books for 2010 and will be used in the collective bargaining agreement with wages earned in 2009 being paid in 2010.

Jones said that the Property Tax and Sales Tax Revenues are stable at the time with the EAV being stable and this is good. The Sales Tax Revenues is a bright spot and is up across the board.

There are some issues that need to be considered as we enter into the FY11 Budget process and this is the reason for the changes in the middle of the year. While this is unusual for Tazewell County, it is a very common procedure across the country.

Jones said that the pension costs are up 8.7% for IMRF and 8.5% for Special Law Enforcement Pension. This becomes a factor because we are funding at the minimum amount required by IMRF and this fiscal year is the first time this has been done.

Personnel costs amount to .67 of \$1.00 and the revenue sources may not be able to make the budgeted amounts.

Jones said that there is no way to predict what the state may do and as the state continues to struggle, the County has the same concerns. The Foreclosure Program has generated \$81,000 to date, but the new bill before the state could jeopardize this program. Jones said that there are three and one-half positions in the General Fund that he proposes to be eliminated from the HR Agenda which would remove \$106,000 in costs from the General Fund. Jones also recommends a transfer along with additional considerations to reduce the percentage of contingency that would be put in the budget.

In considering all of these recommendations, Jones said that he has tried to avoid workforce intervention such as voluntary layoffs without impacting the existing employees and keep a structural balance. Jones is requesting transfers in the County Board Fund, the State's Attorney's office, the Jury Commission, Assessments, Court Services, County Clerk and the Coroner. These transfers will result in more than a \$60,000 improvement of the General Fund's bottom line for the fiscal year.

Recommendations for FY11 include holding the line on Commodities, Contractual Services, a 20% reduction in capital expenditures subject to approval by the Finance Committee and the Board. Jones said that he is reluctant to cut capital further but would like this as a starting point to work through the available funds.

Member Ackerman suggested that County Board members sacrifice their mileage for this year and all of next year.

On voice vote, MOTION CARRIED.

**MOTION
RC CB
F-10-23**

MOTION BY CRAWFORD, SECOND BY DONAHUE to recommend to the County Board to approve transfer requests for Court Services.

On voice vote, MOTION CARRIED.

**MOTION
RC CB
F-10-24**

MOTION BY IMIG, SECOND BY D. GRIMM to recommend to the County Board to approve transfers for Contingency.

Member Crawford asked what process was used to identify which departments were selected for elimination of the 3.5 positions.

Jones said that there had to be a vacancy in the position and consideration as to how long it had been vacant. Another consideration was state reimbursement, but not every department that had a vacancy lost an employee.

Member Crawford asked if there has been or will be any thought to partial rolling lay-offs.

Administrator Jones said that there has been some discussion as to how this would be implemented but at this point for the FY 11 Budget process, the goal was to avoid it.

On voice vote, MOTION CARRIED.

**MOTION
RC CB
F-10-25**

MOTION BY IMIG, SECOND BY DONAHUE to recommend to the County Board to approve Fiscal Year 2011 budget parameters (including financial update).

Jones said that he was getting good cooperation from Department Heads regarding budget parameters.

Member Crawford thanked Department Heads and all officials for their efforts in working together and setting budget parameters for the county.

On voice vote, MOTION CARRIED.

**MOTION
RC CB
F-10-26**

MOTION BY CARIUS, SECOND BY IMIG to recommend to the County Board to approve establishing a mileage reimbursement rate for Jurors.

Member Vanderheydt said that he has a hard time supporting this as most counties do not pay IRS rate for Jurors.

Member Grimm said that he agrees with that and he also will not support this.

Member Crawford said that he would support this as it has no real impact on the jurors, but that the amount paid to jurors is a token amount and this could be sent back to committee to be reconsidered.

Administrator Jones said that this can be looked at again.

On voice vote, MOTION FAILED.

**MOTION
RC CB
F-10-27**

MOTION BY CRAWFORD, SECOND BY D. GRIMM
to recommend to the County Board to approve transfers for the Sheriff's Department for medical supply items.

Member Crawford asked if any of the lines involved were in jeopardy of being transferred from contingency into other lines for this fiscal year.

Captain Ganschow said that it was difficult at this time of year, but they feel fairly comfortable that these things can be handled.

Chairman Neuhauser asked if there would be a way for us to get discounts for the prisoners such as we get for employees. Neuhauser said that they cannot be allowed to be a part of our program, however HCH is looking into whether we can negotiate with a local pharmacy to get discounted drugs for inmates.

On voice vote, MOTION CARRIED.

Chairman Neuhauser asked if there was any interest in looking into Board mileage and the recommended jury cuts.

Member Donahue said that it was very imperative to take a look at this and recommended it for discussion at the next meeting.

**REPORTS &
COMMUNICATIONS**

Administrator Jones said that sales tax is up 2.7%, Personal Property Replacement Tax is down 18% or about \$190,000 and Income Tax is also down 4%.

Jones said that our contract with Pekin Hospital expires at the end of July and will need to be addressed in an In-Place Human Resource meeting.

**APPROVE BILLS
RC CB**

MOTION BY DONAHUE, SECOND BY VANDERHEYDT to recommend to the County Board to approve the bills as presented.

On voice vote, MOTION CARRIED.

Chairman Neuhauser recessed the meeting at 4:04 p.m.

Transcription by Nina Schacherbauer