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## **MINUTES**

### **SANGAMON COUNTY BOARD**

**NOVEMBER 9, 2010**

The Sangamon County Board met in Reconvened Adjourned September Session on November 9, 2010 in the County Board Chambers. Chairman VanMeter called the meeting to order at 7:00 p.m. Mr. Smith gave the Invocation and Mr. Mendenhall led the Board in the Pledge of Allegiance.

### **ROLL CALL**

Chairman VanMeter asked the Clerk to call the roll. There were 27 Present – 1 Absent. Mr. Tjelmeland was excused.

### **PROCLAMATION**

Chairman VanMeter presented a Proclamation to Bill Moss for his service and leadership and loyalty to the residents of County Board District 28. Mr. Moss accepted the Proclamation and stated it has been an honor to serve with everyone on the Board. He thinks they have worked really well together, and this is just one incredible group of people.

Chairman VanMeter acknowledged the 58<sup>th</sup> wedding anniversary of County Board Member Clyde Bunch.

## **MINUTES**

A motion was made by Mr. Montalbano, seconded by Mrs. Turner, for approval of the minutes of October 26, 2010. A voice vote was unanimous.

**MOTION CARRIED**  
**MINUTES ADOPTED**

**CORRESPONDENCE**

A motion was made by Mrs. Turner, seconded by Mr. Montalbano, to place any correspondence on file with the County Clerk. A voice vote was unanimous. There was no correspondence to file.

**RESOLUTION 1**

1. Resolution appropriating motor fuel tax funds for the annual maintenance of County highways.

A motion was made by Mr. Montalbano, seconded by Mr. Stephens, to place Resolution 1 on the floor. Chairman VanMeter asked the Clerk to call the roll. Upon the roll call vote, there were 26 Yeas – 0 Nays.

MOTION CARRIED  
RESOLUTION ADOPTED

**RESOLUTION 2**

2. Resolution approving the low bids for the reconstruction of Mansion Road in Curran Township.

A motion was made by Mr. Hall, seconded by Mr. Snell, to place Resolution 2 on the floor. A motion was made by Mr. Goleman, seconded by Mr. Schweska, that the roll call vote for Resolution 1 stand as the roll call vote for Resolution 2. A voice vote was unanimous.

MOTIONS CARRIED  
RESOLUTION ADOPTED

**RESOLUTION 3**

3. Resolution approving the appointment of the County Engineer.

A motion was made by Mr. Forsyth, seconded by Mr. Fraase, to place Resolution 3 on the floor. Chairman VanMeter asked if this was a unanimous recommendation by the Road and Bridge Committee. Mr. Montalbano stated that it was unanimous, and they are very satisfied with this appointment. A motion was made by Mr. Goleman, seconded by Mr. Stumpf, that the roll call vote for Resolution 1 stand as the roll call vote for Resolution 3. A voice vote was unanimous.

MOTIONS CARRIED  
RESOLUTION ADOPTED

**RESOLUTION 4**

4. 2010-40 – Illinois National Bank Land Trust, #04-407, 13487 Bab Road, Auburn – Granting a Rezoning and Variance. County Board Member – Sam Snell, District #6.

A motion was made by Mr. Snell, seconded by Mrs. Fulgenzi, to place Resolution 4 on the floor. A motion was made by Mr. Moore, seconded by Mr. Montalbano and Mrs. Turner, to table Resolution 4. A voice vote was unanimous.

MOTIONS CARRIED  
RESOLUTION Tabled

**RESOLUTION 5**

5. 2010-42 – Mark W. Walker, 3975 Leach Road, Rochester – Granting Variances. County Board Member – Andy Goleman, District #4.

A motion was made by Mr. Goleman, seconded by Mr. Krell, to place Resolution 5 on the floor. A motion was made by Mr. Moore, seconded by Mrs. Musgrave, to waive the reading of the professional staff’s report. There were no objections. A voice vote was unanimous for the adoption of Resolution 5.

MOTIONS CARRIED  
RESOLUTION ADOPTED

**RESOLUTIONS 6 - 11**

6. Resolution approving the purchase and outfitting of a Ford Expedition for the Sheriff’s Office.

A motion was made by Mr. Preckwinkle, seconded by Mr. Bunch, to place Resolution 6 on the floor. A motion was made by Mr. Bunch, seconded by Mr. O’Neill, to consolidate Resolutions 6 – 11. Chairman VanMeter asked the Clerk to read Resolutions 7 – 11.

7. Resolution authorizing the Sheriff’s Office to participate in the State of Illinois’ Federal Surplus Property Program.
8. Resolution accepting the proposal to perform audit services from Estes, Bridgewater & Ogden.
9. Resolution authorizing the County Clerk and County Board Chairman to sign a modification of lease purchase agreement with the Bank of Springfield.
10. Resolution approving an amendment to the Fiscal Year 2010 Sangamon County Budget.

11. Resolution approving the annual Budget and Appropriation Ordinance for the Fiscal Year December 1, 2010 through November 30, 2011.

A voice vote was unanimous on the consolidation. Mr. Goleman addressed the Board regarding Resolutions 10 and 11.

Mr. Goleman explained that with Resolution 10 it is customary to do a transfer of funds at the end of the year.

Mr. Goleman stated that about three years ago they cautioned the County Board and the County that they could see a potential downturn in the economy, and they guessed right. The economy has taken a turn for the worse, but through the actions of this Board they have survived the storm and have made some tough decisions. Through this process with the budget, they have had a lot of cooperation from department heads and elected officials. He thanked them for the work they have done with the tough decisions they have made. The Auditor's Office and County Administrator have done an outstanding job of coordinating and talking to the department heads, elected officials and members of the Finance Committee and County Board. It is going to be tight, but is very manageable. He cautioned members of the County Board, if there is an economic downturn in the economy they will probably have to make some adjustments down the road. They have cut and cut and cut, but he thinks it is manageable.

Brian McFadden, County Administrator, presented a powerpoint slide presentation regarding the budget. He explained that the last two years have been pretty eventful for the County budget. In FY2009 they made a \$3.2 million cut to all funds. In that two year period, they eliminated 67 positions. They instituted the VSP Program which brought in over \$1.5 million in savings. There were a number of consolidations outlined there. They cut contracts by 10%, including janitorial and legal contracts. They also cut board and commission pay by 50%. There were two straight budgets they dealt with that had reduced revenue, which is pretty unheard of from most local governments. They dealt with the fact that State reimbursements were reduced by \$850,000. There was also an across the board wage concession they received from the unions, which helped significantly through last year's budget.

Everything is based upon revenue. The County builds their expenditures based upon revenue. Sales and income tax is primarily flat. This will be the third year in a row they have had flat sales revenue and income taxes. Fines and fees are down \$400,000, which is a 5.6% reduction. Overall, in all funds they are down about \$1.6 million. Fees did not come in as they hoped. State reimbursements are down \$217,000, which is primarily salary for the State's Attorney, Public Defender and Court Services. Property tax revenue is up by \$1.3 million, which is the capped amount the CPI allows. They are up \$73,851, which is 14.7 % in grants. The overall revenue general fund is up about \$858,000, which is about a 2% increase. There is also a 2% increase for all funds as well.

The revenue history for the general fund shows revenue dropping for three years and a slight increase for this year. The FY2009 original adopted budget was \$45.1 million, with a reduction to \$43.3 million, and in FY2010 they had to bring it down again to \$41.9 million.

The revenue history for all funds shows they have been pretty steady overall. The combined revenue for income and sales tax is \$10.6 million, which is what it has been for three years in a row. Revenue primarily consists of fines and fees, property tax and sales and income tax. Chairman VanMeter asked if he remembers what year they have to go back to see sales tax revenue like it was in 2008 in the amount of \$7.3 million. Mr. McFadden stated you would have to go back to 2003, which is eight fiscal years, to see a number that is lower than what they are doing this year. With income tax, the money is all put into a pot and is divided up amongst the State by population. If one county has a bad year, it would affect all of us.

With property tax you can see a \$1.3 million increase overall, with an amount of \$25.7 million total. A little over 52% of property tax revenue generated goes to the general fund, and the rest goes into other levies such as pensions, highways, roads and bridges, the insurance fund and a number of other funds.

The CPI bounces around and is based upon the consumer price index; therefore, it caps the amount of property tax revenue they can generate. It dropped from 4.10% in FY2009 to .10% in FY2010. They went from getting about \$1 million to \$23,000 in property tax revenue. They would like to get out of that window they saw in FY2010.

With the property tax rate, there is a stabilizing of the rate over the last couple years. From the year they eliminated the public building commission levy, there was an 11% drop in the property tax rate that the County had. This was a good decision for the taxpayers, but a challenging decision for the County. In 1992 the tax rate was at .83 and is down about 16% from then to now. It is up very slightly this year.

Fines and fees are a large part of the County's revenue mix. They are looking at about \$15 to \$16 million. The 2009 number took a drop because of some of the economic conditions. In 2010 they instituted a number of fee increases which included court filing fees, Child Advocacy Commission fees, the marriage license fee, and some fees in the Sheriff's Office. Unfortunately, the anticipated number is not being hit, it says estimated but should say the budgeted amount. The real number should be about \$14.2 to \$14.3 million, so they are coming up very short, which is directly attributed to the economic conditions and some of the changes in the courts. There are two fee increases in this budget that were authorized by the State. The first fee is a \$5.00 fee on each traffic offense appearance, which is assessed by the Circuit Clerk's Office. This will go into a special fund to provide an automated citation program. The ultimate goal would be for deputies, police officers and troopers to write a citation in their vehicles and send it right to the Circuit Clerk's Office. This fee is not budgeted because the County has a history of only budgeting what they feel that revenue is going to generate, and they do not have an idea yet of what this will generate. The second fee increase is for a non-appearance for a traffic offense. Previously the fee was \$75 and legislature came in and changed that and took a chunk of that money for the State Police to avoid layoffs of troopers. In response to that, the Supreme Court increased the maximum amount to \$120 per offense. The County's portion of that fee will go from \$23 to \$36. They are also not budgeting that amount.

Mr. Hall stated about a year ago he asked about a possible fee be imposed regarding the cost for those officers who have been answering a bunch of false alarms. He asked if they have levied for that. Mr. McFadden stated that there are so many variables to implement an alarm ordinance. They would have to start with the Jail Committee to implement this. Mr. Hall stated they have a problem in his district and they had 23 false alarms in one year, so they really need to go after that. It would not be to increase their funds but would get the officers out in the field more. Mr. McFadden stated they would want to make sure this revenue source would be consistent before they start budgeting the funds.

With expenditures there is a 2% increase for expenses. This budget does include a 2% increase for each department for raises, both for union and non-union employees. It would be about \$400,000 to the general fund and about \$600,000 to all funds. They will have a 2% hiring lag, which encourages the departments to slow down on re-hiring. This would implement a savings of about \$400,000. They did a 5% across the board cut in commodities and contractual line items, which is about \$286,000. Pensions are up \$230,000, and health insurance is up \$120,000, which is 4.6%. Health insurance expenses are up more than 4.6%, but the cost to both the employees and the County are at a lower amount because of some of the things they are doing with the fund.

On the revenue side and expenditures side it is hard to do an apple to apple comparison, because there are big spikes caused by grants and stimulus funding. With the 2009, 2010 and current budgets there is a dramatic decrease in headcount at the County. In the last three years they have eliminated 88 positions, which is a little over an 11% reduction in their workforce. They have tried to be more efficient and do this in a way to minimize layoffs and instead maximize vacant positions and use attrition.

Mr. McFadden thanked Terry Viar and Brad Hammond from the Auditor's Office for their help on this budget.

Terry Viar with the Auditor's Office addressed the Board regarding health insurance. The health insurance expenses went up slightly less than 5% because the Board of Managers, that handles the self-insured health insurance fund for Sangamon County, was gracious enough to commit some of the fund balance to pay for the premiums, which lowered the County and employee's costs. The fund balance has been rocketing up over the past few years, but they will use a little bit of that to help out the County and to help out the employees who are insured under the health insurance fund.

Chairman VanMeter asked if the target fund balance was about \$6 million. Mr. Viar stated he believes that is what they originally started out with. Mr. VanMeter stated in 2010 they shot a little bit over that target fund balance, and now in 2011 they are going to bring the fund balance back down to that target. Mr. Viar stated they are allowing the County to use up to \$700,000 of the fund balance. They may not have to use all of it depending on the number of claims made. Mr. VanMeter asked if it was because they overshot their goal on that fund balance by about \$600,000. Mr. Viar stated that is an estimated of what they think it is going to be at the end of this year.

Mr. Goleman stated that he serves as a member of the Board of Managers along with Mr. Montalbano, Mr. O'Neill and Mrs. Douglas-Williams. With all the stories they read about regarding problems with health insurance funds for governmental bodies, this is a true success story. This committee is made up of and controlled by the employees of Sangamon County. The target amount they had originally hoped for was \$5 million, and they have exceeded that. Through the management of this fund, they have been able to do what Terry just talked about. People have really taken ownership of this, and it is probably the best success story they can talk about. Mr. McFadden explained that the \$5 million original estimate was based upon more lives being covered by this. When you reduce your payroll by 93 and the number of family members, you reduce your costs. Part of what has helped to get the pension and other costs at a more reasonable level is that they have fewer people working for them at this time. This is a very well managed fund. The employees and board members did an excellent job on this. It is difficult for the fund balance to go down, the way this is structured, because of the stop loss coverage and a couple other things. Chairman VanMeter stated the point here is not to take this to \$10 million then to \$20 and then to \$30 million, but it is to have an adequate fund to cover contingencies and not more than that. If they build the fund up too big, they take money from the employees and taxpayers that could be better allocated to other priorities. They overshot a little bit, but are trying to bring it back in line with what the actuaries tell them it should be.

Mr. Goleman stated that even with the reduction of employees, the highpoint was with the County/City merger they added some employees.

Paul Palazzolo, Auditor, addressed the Board. He explained that the Illinois Public Risk Fund provides the County's coverage for workman's compensation. Through the middle part of the decade they saw the workman's compensation injuries were not the best they could be. They instituted a new program with medical case management from an expert nurse as part of a team to help injured employees get back to work sooner. As a result, the premiums being charged by the Illinois Public Risk Fund decreased in FY2010. Since then, they have had a bit of a spike again as a result of workman's compensation claims. They are now starting another unique program, which is a Workplace Safety Board, approved by the County Board. They will investigate why an injury occurred and what ways can be instituted, either via policy or through supervisory efforts, to ensure the injury does not happen again. They are doing things to help address workman's compensation situations.

Chairman VanMeter stated that part of the initiative is to make sure, if you are receiving workman's compensation benefits from Sangamon County, you are really injured. If you are not injured and are able to go back to work, there will be a nurse making an independent evaluation and you will be asked to return to work. Mr. Palazzolo stated this is a positive process with the injured employee to get them back to at least light or active duty after working with the nurse. Mr. Goleman expressed his thanks to the Auditor for the work he has done on this.

Mr. McFadden stated that IMRF, which is the County's pension, is set up entirely different than the City and State. They are basically part of a large state-wide pension pool. They get a bill every year based upon actuary assumptions and market returns where IMRF investments get factored in.

Mr. McFadden asked Mr. Viar what the increase was this year. Mr. Viar stated it was just shy of 10% on all three different kinds of categories they pay for. Mr. McFadden stated the real driver was the fact that the market loss that IMRF suffered brought the whole system funding ratio down. As a result, everyone has to kick in to make that up. That increase primarily represents the market activity of the pension investments and what it has meant for them, and really every other local government in the State.

Mr. McFadden presented an update on where they are at on their bond proceeds. The County borrowed almost \$13 million several months ago, and the picture looks pretty good on how those bond proceeds are being used. The contingency came in significantly under what was set aside. The energy management project, to date, has come in under what was set aside. The generator project was approved, but was not anticipated in the original bond proceeds, so they decided to use bond proceeds to pay for that. They have been reimbursed the whole \$216,000 by the State of Illinois. They will continue to watch the energy management project as they are still in the infancy of that project. In that \$454,000 they have a savings with some of that being used for contingency, but they will be able to set aside most of it. There are also some capital improvements being done by the County. The County Board is by no means ignoring the County's infrastructure. They are doing improvements to facilities such as a roof and heating and cooling. They are replacing squad cars in the Sheriff's Office, replacing equipment at the highway and public health departments, and are replacing switches, servers and routers. They are making sure they can still fund these capital improvements so their infrastructure doesn't suffer.

In conclusion, this is a tight budget and they have been very conservative with the tax revenue. This has put some pressure on the budget, which is primarily the expense side driven primarily by the personnel costs. Last year the unions accepted the wage concessions, but did not do so this year; therefore, they had to continue to eliminate positions to stay within the budget. They will continue to talk about automation and consolidation. They have done quite a few things with the probation department, building department and fleet maintenance. They will continue to look for ways to consolidate services, lower overhead and increase efficiency. Automation is something they will also hear a lot about from the departments. They want to put more things on the Internet and keep people out of the building so there is less pressure on court security and others. They are also looking at options in the Jail.

Chairman VanMeter stated that he knows Mr. McFadden would be first to credit Paul and his staff for the work they have done. This is an enormous amount of work, and Paul and his staff have been absolutely instrumental in pulling this together. He knows he expresses the sentiments of the entire Board in saying how grateful they are to have one man on the County Board staff that coordinates and puts this entire \$100,000 million budget together. It is amazing and they are most grateful. Mr. McFadden stated that Melanie and Lou help a lot and he does not want to diminish what Terry, Brad and Paul have done. It is truly a team effort. He again thanked all the departments. Mr. Goleman stated it is great to have Mr. McFadden here.

A motion was made by Mr. Goleman, seconded by Mrs. Turner, that the roll call vote for Resolution 1 stand as the roll call vote for the adoption of Resolutions 6 – 11, as consolidated. A voice vote was unanimous.

MOTIONS CARRIED  
RESOLUTIONS ADOPTED

**WAIVER OF TEN-DAY FILING PERIOD**

A motion was made by Mr. Montalbano, seconded by Mrs. Turner, to waive the ten-day filing period. A voice vote was unanimous.

MOTION CARRIED  
TEN-DAY FILING PERIOD WAIVED

**RESOLUTION 12**

12. Resolution approving contracts for employee benefits for 2011.

A motion was made by Mr. Stephens, seconded by Mr. Sullivan, to place Resolution 12 on the floor. A voice vote was unanimous for the adoption of Resolution 12.

MOTION CARRIED  
RESOLUTION ADOPTED

**OLD BUSINESS**

There was no old business.

**NEW BUSINESS**

A. Resolutions

There were no new resolutions

B. Appointments

Appointment of General John G. Sheedy to the Citizens Advisory Committee on Animal Control for a term expiring November, 2011.

A motion was made by Mr. Montalbano, seconded by Mrs. Turner, for the appointment of General John G. Sheedy. A voice vote was unanimous.

Appointment of Wayne Cross to the Lanesville-Illiopolis Water Drainage District for a term expiring September, 2013.

A motion was made by Mrs. Turner, seconded by Mr. Montalbano, for the appointment of Wayne Cross. A voice vote carried.

Appointment of Jeff Fulgenzi to the Lower Sangamon River Resource Conservation & Development Board for a term expiring October, 2013.

A motion was made by Mr. Montalbano, seconded by Mrs. Turner, for the appointment of Jeff Fulgenzi. A voice vote was unanimous.

Appointment of Mike Keafer to the Sangamon County Building Code Board of Appeals for a term expiring November, 2011.

Appointment of Pam Deppe to the Sangamon County Building Code Board of Appeals for a term expiring November, 2011.

Appointment of Keith Moore to the Sangamon County Building Code Board of Appeals for a term expiring November, 2011.

Appointment of Cathy Scaife to the Sangamon County Building Code Board of Appeals for a term expiring November, 2011.

Appointment of R. David Burns to the Sangamon County Building Code Board of Appeals for a term expiring November, 2011.

Appointment of Donny Anderson to the Sangamon County Building Code Board of Appeals for a term expiring November, 2011.

Appointment of John Haines to the Sangamon County Building Code Board of Appeals for a term expiring November, 2011.

A motion was made by Mrs. Turner, seconded by Mr. Montalbano, for the appointments to the Sangamon County Building Code Board of Appeals. A voice vote was unanimous.

**MOTIONS CARRIED**

**APPOINTMENTS ADOPTED**

**REPORTS OF COUNTY OFFICIALS, REPORTS OF SPECIAL COMMITTEES,  
REPORTS OF STANDING COMMITTEES, COMMITTEE REPORT ON CLAIMS**

A motion was made by Mrs. Turner, seconded by Mr. Montalbano, to place the Regional Office of Education report and Committee Report on Claims report on file with the County Clerk. A voice vote was unanimous.

MOTION CARRIED  
REPORTS FILED

**RECESS**

A motion was made by Mr. Moss, seconded by Mr. Montalbano, to recess the meeting to December 14, 2010 at 7:00 p.m. A voice vote was unanimous.

MOTION CARRIED  
MEETING RECESSED