

**APPROVED 2/27/18**  
**MINUTES**  
**Ways and Means Committee**  
**January 23, 2018**  
**@ 1:00 P.M.**

<b>MEMBERS PRESENT:</b>	<b>Allen Mayer</b> - Chairman; <b>Steven Rieker</b> - Vice Chairman; <b>James Fennell, Brad Harding, Phillip Salzer, William Watkins, Jr., Sharon Williams</b> - Committee Members
<b>MEMBERS ABSENT:</b>	
<b>OTHERS PRESENT:</b>	<b>Scott Sorrel</b> - County Administrator; <b>Shauna Musselman</b> - Assistant County Administrator; <b>Andrew Rand</b> – County Board Chairman; <b>Larry Evans, Jerry Brady</b> - State's Attorney's Office; <b>Eric Dubrowski</b> – Chief Financial Officer; <b>Julie Ciesla, Paul Letcher, Kim Hudson</b> – Finance; <b>Angela Loftus</b> – Asst. Director of Human Resources; <b>Gretchen Pearsall</b> – Director of Strategic Communications; <b>Kent Rotherham</b> – County Auditor; <b>Pat Risen, Kevin O'Connor</b> – Circuit Clerk; <b>Beth Derry</b> - Regional Office of Education; <b>Dave Ryan</b> - Supervisor of Assessments; <b>Dan O'Connell</b> – Facilities Director; <b>Steve Sonnemaker, Mike Deluhery</b> – County Clerk; <b>Tom Bride</b> – Election Commission; <b>Nicole Demetreas</b> - Treasurer; <b>Trisha Collins</b> – Veteran's Assistance Commission; <b>Doug Gaa</b> - Sheriff's Office; <b>Rena' Parker, Jennifer Shadid</b> – Courts; <b>Chad Lucas</b> – Sikich, LLP; <b>Steve Tarter</b> – Journal Star

**Call to Order**

The meeting was called to order by Chairman Mayer at 1:00 p.m.

**Approval of Minutes**

A motion to approve the minutes of November 21, 2017 was made by Mr. Watkins and seconded by Ms. Williams. The motion carried.

**Informational Items/Reports/Other Minutes/Updates**

**County Auditor**

No report. No questions or comments from committee.

**County Clerk**

Mr. Sonnemaker distributed the December Collections and Transactions report. He advised that the office is currently \$1,100.00 over budget in revenue.

**Peoria County Election Commission**

Mr. Bride advised that distribution of vote by mail ballots will begin Thursday, February 8, 2018. He stated that early voting at the Election Commission begins on that date as well; early voting outside the office begins in March. He advised that the design for the new Brandywine facility has been approved by all parties. Mr. Sorrel advised that the goal is for the Commission to occupy the new facility prior to the November 2018 election.

**Finance**

Mr. Dubrowski advised that Mr. Paul Letcher has been hired as Finance Director for Heddington Oaks, and the recently vacated AP Bookkeeper position at the Courthouse has been filled. He also commented that he will be leaving his position at the end of the month.

- External Audit Update

Mr. Lucas advised that a planning meeting was held on January 5, 2018, fieldwork will begin the week of February 12, 2018, with final fieldwork estimated for April 16, 2018. He stated that a copy of the signed engagement letter was distributed to committee members last week.

Regional Office of Education (ROE)

Ms. Derry provided an update on activities of the Regional Office of Education:

- Ms. Derry noted the ongoing statewide teacher shortage, with critical shortages in the areas of special education, math and science, and foreign language. Shortages are most critical at the high school level, with a trickle down beginning at the middle school level.
- Seven GEDs were earned by incarcerated individuals at the Peoria County Jail, as were several Sanitation Licenses.
- The ROE has entered into an agreement with the Lieutenant Governor's office for a pilot project affiliated with the Illinois Virtual School, offering AP and dual credits online to ten small, rural schools statewide.
- The office has partnered with Pastor Hightower and the NAACP to host an event on March 20, 2018 called "Creating Champions". Fifteen students per high school within the county will attend the event.
- Ms. Derry participated in training related College to Career Readiness, specifically how 8<sup>th</sup>, 9<sup>th</sup> and 10<sup>th</sup> grade students can prepare for college and careers. Sheila Quirk-Bailey, the President of Illinois Central College has begun a pilot project with five school districts to ensure students receive 15 early college credit hours before graduating high school.

Supervisor of Assessments/Board of Review

- Tax Cycle

Mr. Ryan advised that the Board of Review is completing 2017 complaints. He stated that 816 complaints in total were received, with 47% changed or lowered. He advised that 13,000 Senior Freeze Assessment notices have been mailed, noting that the income limit was increased to a household income of \$65,000.00. He advised that the filing deadline is September 1, 2018, adding that several reminders are sent to eligible recipients who do not file by the deadline.

- Board of Review

No report. No questions or comments from committee.

Treasurer

Ms. Demetreas advised that a property tax pre-payment program was initiated due to changes in the tax code. She stated that 271 customers came into the office between December 19<sup>th</sup> and 22<sup>nd</sup> to prepay, with 935 customers coming into the office the last three days of the month. She advised that over \$12.3 million was collected in pre-paid taxes, and added that much of that total has been invested and will continue to be invested until tax bills are mailed. She commented that after tax bills have been distributed, the first installment of those payments will be applied and participants in the pre-payment will be notified as to payment status.

Ms. Demetreas advised that the funds for which the Treasurer invests was budgeted at \$135,000.00, with the actual totaling \$366,000.00. She stated that the office is over budget by \$230,000.00 in interest. She advised that of the 44 funds for which the Treasurer invests, 5 funds did not meet their budget amount due to running negative cash balances throughout the year. She commented that \$28,000.00 is budgeted for bank fees, adding that fees will total \$176.00 for 2017.

Ms. Demetreas advised that interviews for Deputy Treasurer have been conducted, and she anticipates extending an offer by next week.

### Veteran's Assistance Commission

Ms. Collins advised that Mr. Brooks has been elected as President of the Illinois Association of County Veterans Assistance Commission (IACVAC). She stated that the Commission has a part-time position posted, and will be seeking to hire an additional full-time position. She advised that approximately 80,000 claim forms were completed in 2017, an increase of 10,000 over the past several years. She commented that the office assists 300 veterans per month on average, adding that over \$10 million in claims were paid in 2017.

### Legislative Update

Mr. Sorrel advised that the annual Legislative Breakfast will be held on Friday, February 9, 2018 at 8:00 a.m. the Gateway Building. He stated that 5 legislators have confirmed their attendance. He advised that staff continues to finalize the recommended agenda, and highlighted portions of the draft related to city and county requests for direct sponsorship, requests for position support, and capital projects. *County requests for direct sponsorship include* Sales and Use Tax Reform (joint with City of Peoria), Juvenile Justice Reform, Bail Reform Act, and Use of Hanna City Work Camp; *County requests for position support include* Illinois Fiscal Concerns and Automatic Appropriation Authority for Local Funds (joint with City of Peoria), Medicaid Pending for Skilled Nursing Facilities, and Juvenile Justice Reform. *County requests for Capital Projects include* reconstructions of portions of Old Galena Road, Maxwell/Middle Roads, Glen Avenue, and Lake Street. He commented that at the request of the legislators, the Board of Health will be included in this year's program.

### Resolutions

- Monthly Delinquent Taxes

A motion to approve was made by Mr. Salzer and seconded by Mr. Fennell. The motion to approve carried.

- Write-Off Policy for Governmental Funds

A motion to approve was made by Ms. Williams and seconded by Mr. Fennell. Mr. Dubrowski advised that the policy was developed as an internal policy related to transparency. He stated that it is rare to have write-off requests by the time the accounts appear on the General Ledger, as those write-offs are more likely to occur in subsidiary ledgers or other software. He commented that a request from the Supervisor of Assessments Office to write-off an aggregate amount of \$165.00 spurred the creation of a draft policy, as although the amount is immaterial, it is recommended to have a policy in place for any future requests.

Mr. Dubrowski stated that the CFO would have authority to write-off aggregate amounts under \$5,000.00, amounts between \$5,000.00 and \$19,999.00 would require the dual approval of the County Administrator and CFO, and amounts \$20,000.00 and over would require County Board approval. He also commented that all requests, regardless of amount, would come before this committee as an informational item. The motion to approve carried.

- Amendments to Chapter 3, Alcoholic Liquor, of the Peoria County Code

A motion to approve was made by Mr. Salzer and seconded by Mr. Fennell. Mr. Sonnemaker advised that during the budget process the County Clerk's Office advised that revenue numbers included a proposed increase in liquor license fees. He commented that fees associated within the Alcoholic Liquor Code encompass duties in multiple departments, including the County Clerk, Administration, State's Attorney's Office, Sheriff, and the County Board Chairman in his role as Liquor Commissioner. He added that fees in several Classes have not increased in 26 years.

Mr. Rand asked the impact on temporary liquor licenses, and Mr. Sonnemaker remarked that licenses in that category will increase from \$48.00 to \$65.00 per day.

The motion to approve carried, with Mr. Harding and Mr. Watkins voting nay.

- *Contract Award for State Legislative Services*

A motion to approve was made by Mr. Watkins and seconded by Mr. Salzer. Mr. Sorrel advised that the current 3-year contract for lobbying services with Anderson Legislative Consulting expired on December 31, 2017. He stated that after review of final RFPs and receipt of feedback from legislators, staff recommends awarding the contract to Anderson Legislative Consulting in the amount of \$30,000.00 per year, for a total of 5 years. He noted that the rate does not increase from their prior contract.

Mr. Harding asked if return on investment can be quantified. Mr. Sorrel advised that although not in quantifiable numbers, the firm was instrumental in a variety of legislative pieces which either facilitated positive outcomes or prevented negative consequences for the County. Mr. Rieker suggested a report out to committee in the future on key deliverables to the County. Mr. Sorrel advised that an End of Session report to both the committee and the County Board has been discussed.

The motion to approve carried, with Mr. Harding voting nay.

### **Committee Action**

- *Review of Executive Session Minutes*

Mr. Evans recommended that all previously held executive session minutes continue to be held closed as the need for confidentiality still exists, and to destroy executive session audio recordings more than two years old, except those that relate to pending litigation. A motion to accept the recommendation of the State's Attorney's Office was made by Ms. Williams and seconded by Mr. Rieker. The motion carried.

### **Discussion**

- *Draft County Auditor Ordinance*

Mr. Mayer directed committee members to the draft Ordinance in the packet, and stressed that the Ordinance would be recommended for County Board approval only upon passage of the referendum.

- *Internal Controls update*

Mr. Dubrowski reported on the status of corrective action plans related to the findings and recommendations associated with the most recent internal audit. Audit findings related to Material Weaknesses, Significant Deficiencies and Control Deficiencies are listed below. Mr. Dubrowski advised that several findings have already been addressed, while responses to others are either in progress or forthcoming:

#### **Material Weaknesses**

- Bank Accounts (General Ledger)
- Bank Accounts (Circuit Clerk)
- Circuit Clerk Activity Reconciliation

#### **Significant Deficiencies**

- Segregation of Staffing Duties at Heddington Oaks
- Segregation of Duties related to the Pentamation System
- Bond Covenant Compliance
- Purchasing
- Penalty Computation (Circuit Clerk)

#### **Control Deficiencies**

- Investment Policy (Treasurer)
- Community Development Assistance Program Fund
- Dual Signatures on Manual Checks
- Allowance for Doubtful Accounts
- Payroll Processing

### **Control Deficiencies (cont.)**

- Tax Collection Reconciliation
- Donated Assets
- Heddington Oaks Billing

Mr. Rand recommended further discussion of the unresolved material issues identified the Circuit Clerk's Office. Mr. Mayer suggested that discussion of internal control weaknesses identified by the external auditor, for which repeat findings may be an issue, take place in an Executive Session at either the March or April meeting of the committee.

### **Adjournment**

The meeting was adjourned by Chairman Mayer at 2:14 p.m.

*Recording Secretary: Jan Kleffman*