

WILL COUNTY BOARD
FINANCE COMMITTEE MEETING
MINUTES

JANUARY 4, 2011

Will County Office Building
County Board Committee Room
302 North Chicago Street
Joliet, IL 60432
9:30 a.m.

CALL TO ORDER

Mr. Maher called the meeting to order at 9:45 a.m.

ROLL CALL

Present were Members: Maher, Dralle, Gould and McPhillips

Absent were Members: Seiler, Wilhelmi and Kusta

Also Present: J. Moustis, P. Rafac, S. Weber, D. Militello and B. McDaniel

Present from State's Attorney's Office: M. Tatroe and B. Friefeld

PLEDGE OF ALLEGIANCE

Ms. McPhillips led the Pledge of Allegiance.

APPROVAL OF MINUTES

A motion was made by Mr. Gould, second by Ms. McPhillips, to approve the minutes from the October 19, 2010 meeting. All in favor. MOTION CARRIES.

A motion was made by Mr. Gould, second by Ms. McPhillips, to approve the minutes of the October 27, 2010 meeting. All in favor. MOTION CARRIES.

A motion was made by Mr. Gould, second by Ms. McPhillips, to approve the minutes of the October 28, 2010 meeting. All in favor. MOTION CARRIES.

A motion was made by Mr. Gould, second by Ms. McPhillips, to approve the minutes of the November 8, 2010 meeting. All in favor. MOTION CARRIES.

A motion was made by Ms. McPhillips, second by Mr. Gould, to approve the minutes of the Nov. 8, 2010 executive session. All in favor. MOTION CARRIES.

OLD BUSINESS

NEW BUSINESS

Request for Year End 2010 Budget Clean Up #1

Mr. Rafac indicated there would be other clean ups next month, including payroll. There might be one more clean up later; typically there are three. Three of today's items are reclassifications of purchases that already have been made into capital assets. All are happening internally within their own funding in those line items, with one exception: the State's Attorney's Child Advocacy Center. Funds are being transferred from salaries to cover some outstanding bills.

Mr. Maher noted none of the items were very big except for the capital improvements of \$434,000.

Mr. Rafac agreed. The \$434,000 is an issue that has been discussed during the Finance Committee before. Two liens were filed against the county by the federal government. One was a Medicare billing issue, and Blue Cross-Blue Shield has a special unit that deals with that. Whenever we are dealing with U.S. Treasury, the IRS, the federal government, they just take the money. Then we have to fight to get it back. In this case, they have admitted it is their error, but we don't believe we will be able to get it back in time to book back into the prior year. So we are transferring budget authority to cover the gap.

Mr. Rafac stated the other issue involved quarterly filings of the 941s. There have been problems with the IRS since the conversion to the New World System. We have now worked with Senator Durbin's office to have a tax payer advocate assigned to us. The advocate will work with us to resolve all the IRS prior lien issues. Although the IRS is unlikely to write a check to refund the monies, they will reduce the amount of further future liabilities. We have things dating back for several years, and if a tax payer advocate can help resolve these issues, it will be beneficial.

Mr. Rafac indicated that some of them relate to the Workers Compensation third party payer issue where those payments are done by another entity, but the county must also record them on their returns.

Mr. Maher asked how the issues could be resolved; did they simply not understand the accounting process.

Mr. Rafac stated the Medicare billing issue was for a claim that had already been resolved with Blue Cross-Blue Shield. The IRS lost the paper work. That is a common problem with the Department of Health and Human Services. Blue Cross-Blue Shield has a special unit that deals with those types of problems.

Mr. Rafac stated the other issues involve quarterly filing of payroll taxes. With the Workers Compensation third party payers issue, the IRS will say to fill out forms one way. But when the forms are completed, then the IRS will say it has to be done in a different way. All the

issues will be resolved. There shouldn't be any substantial discrepancies, other than a few hundred dollars.

Ms. Mc Phillips asked if the county already had paid the money.

Mr. Rafac replied the county didn't pay it; they took it. The money was taken in small amounts for several different places. The majority of the money came from the rebate on Build America and Recovery Zone bonds. The federal government looks first at the Recovery Zone bonds if they think they are owed money. They seem to be taking everything they can.

Mr. Maher stated the IRS can take everything they want.

Mr. Rafac explained after the IRS takes the money, the county can fight to get it back. The Blue Cross-Blue Shield issue seems to date back a few years. Perhaps there was a box that wasn't checked correctly on their computer system, and that triggered it to come out on the list. Additionally, one thing that the IRS doesn't tell you about the tax payer advocate program is that the only way you can get an advocate is if a member of Congress requests one. Durbin's office made the request.

Mr. Maher asked when this issue was last brought to a committee.

Ms. Johannsen replied it might have been in the spring.

Mr. Maher asked if the money was taken all at one time.

Mr. Rafac explained that they took money from several different places. And when the county was getting large rebate checks, they took one of those.

Mr. Maher asked if the money was coming out of capital improvements.

Mr. Rafac stated it was; that is where the Recovery Zone rebates are going.

A motion was made by Mrs. Dralle, second by Ms. McPhillips, to put the resolution regarding the year end 2010 budget clean up #1 on the agenda. All in favor.

MOTION CARRIES.

Request for Signature Acknowledgement of County Treasurer for Steve Weber

Mr. Weber explained he needed authorization to be named as the designator for the collectors and the accounts in the Treasurer's office.

A motion was made by Mrs. Dralle, second by Ms. McPhillips, to approve the request for signature acknowledgement. All in favor.

MOTION CARRIES.

Request to Begin Process for Locating ATM Machine in Treasurer's Office

Mr. Weber explained he had a request for a proposal to look at different options for an ATM machine for the County Office Building that would be at a low cost to tax payers. Currently the closest ATM is at the Valero Gas Station on Jackson Street, and it has a \$2 out-of-network fee. The machine would benefit everyone in the county office building, not just customers. It would allow employees access to cash for lunch or UPS, for example. In the past,

employees' personal checks could be cashed at the Treasurer's office, but that service isn't available now.

Mr. Weber indicated he would like to solicit bids and get some figures on the ATM. If a machine is installed, he hoped it would make some money for the county. Circuit Clerk Pam McGuire has an ATM inside her office at the courthouse, and she provided information about it. The proposal would include a one-year window so they can look at the volume during that period so the Treasurer's office could revisit the issue with the vendor. If they over bid on the number of transactions that they make money on, the office wants to be able to lower that number, so the county can make some money on it.

Mr. McDaniel said that in 2003, the County Board went through this process with the Circuit Clerk's office. When they submitted the bid, the contractual obligation was to generate the most revenue for the county – that was sole criteria for awarding the bid.

Mr. Maher asked if the revenue would go into the general fund.

Mr. McDaniel stated that his research indicated it went into revenue. Under the contract the Circuit Clerk's office has with Harrison, the provider of their ATM, the county gets to split 50-50 any revenue over 400 transactions per month. According to Dan Sepulveda in the Circuit clerk's office, they haven't achieved that in the last eight months. That's why the Treasurer wants a review after one year to check the volume of usage. The Circuit Clerk's office categorizes it as not really a big revenue generator for them, but they are looking at it from the convenience standpoint, and so is the Treasurer.

Ms. Militello noted there are quite a few elderly people who come to the Treasurer's office, and she doesn't like to send them to the Valero Gas station.

Mr. Gould asked where the ATM would be located and asked if it would be in the vending area down stairs.

Mr. McDaniel indicated that it would be in the Treasurer's office. The 2003 bid required that the winning bidder be responsible for the financial cost of doing any improvements to the area where the ATM is installed. And if they lose the contract, they would have to restore the area to its original condition. The bidder also is responsible for the cost of remodeling.

Mr. Maher asked if having an ATM in the Treasurer's office would cause any problems with the traffic patterns in the office, especially during tax times.

Mr. Weber stated he was considering that issue while studying the options for placement.

Mrs. Dralle mentioned that there might be a hearing office for ordinance violations in the administrative adjudication process in the County Office Building. If that moved forward, the hearings might be held in the late afternoons or evenings. Would there be access to the ATM during those hours?

Mr. McDaniel stated they would build that into their consideration.

Mr. Weber asked how late the hearings might go.

Mrs. Dralle replied perhaps as late as 7, 8 or 9 p.m.

Mr. Maher noted there were other meetings that were held in the building. To increase the visibility and the usability, the ATM almost had to be located in a common area.

Mr. Weber stated the hallways on the first floor of the County Office Building were wide, and there was a lot of potential for a location.

Ms. Militello stated they wanted to make sure that the ATM would be located in a safe place.

A motion was made by Mrs. Dralle, second by Ms. McPhillips, to begin the process of locating an ATM machine in the Treasurer's office. All in favor. MOTION CARRIES.

ANNOUNCEMENTS BY THE CHAIRMAN

EXECUTIVE SESSION

A motion was made by Mr. Gould, second by Mrs. Dralle, to adjourn the meeting at 10:05 a.m. All in favor. MOTION CARRIES.