

Approved 4/26/22

FINANCE AUDIT AND LEGISLATIVE AFFAIRS COMMITTEE

March 22, 2022

@ 2:00 p.m.

COMMITTEE MEMBERS PRESENT:	James Fennell – Chairperson; Rachel Reliford (<i>via teleconference</i>), Jennifer Groves Allison , Eden Blair , Linda Daley (<i>via teleconference</i>), James Dillon , Betty Duncan , Andrew Rand , Rob Reneau , Steve Rieker , Paul Rosenbohm , Phillip Salzer , Sharon Williams
MEMBERS ABSENT:	Brandy Bryant , Kate Pastucha
STAFF PRESENT:	Scott Sorrel - County Administrator; Shauna Musselman – Asst. County Administrator; Jennie Cordis Boswell (<i>via teleconference</i>) - State's Attorney's Office; Heather McCord – Chief Financial Officer; Julie Kusturin , Paul Letcher – Finance; Gretchen Pearsall – County Administration; Nicole Bjerke – Treasurer; Brian Asbell , Jim Middlemas – Sheriff's Office; Monica Hendrickson – Health Department; Rachael Parker – County Clerk; Rebecca Spencer - PCAPS
VISITORS	Kristin Hilson – Chapman & Cutler (<i>via teleconference</i>)

Call to Order

Chairperson Fennell called the meeting to order at 2:00 p.m.

Approval of Minutes

A motion to approve the minutes of March 1, 2022 was made by Ms. Duncan and seconded by Ms. Williams. The motion carried unanimously (11-0; Ms. Daley and Ms. Reliford absent for vote)

Informational

➤ Monthly Financial Report

Ms. Kusturin provided an overview of financial activity for both Period 13 and Period 1 of 2022. Highlights include:

- A significant difference between Period 13 and Period 1 is an improved continuity between the audit, the budget, and the financial reports by the inclusion of PCAPS in all reporting.
- FY2021 saw an approximate \$4.9 million surplus (unaudited), with the one of the largest impacts coming from Intergovernmental Revenues. The majority of the surplus is dedicated to paying down bond refinancing and purchase of new election equipment.
- Just two funds reported at the end of the fiscal year as not meeting fund balance policy, those being the Heddington Oaks Fund and the Mortgage Foreclosure Fund
- FY2021 Sales Tax revenues ended the year \$3.2 million over projections. The two highest quarters were the 4th quarter at \$715,000.00 and 2nd quarter at \$1.1 million.
- In part due to a change in the laws, PPRT in FY2021 saw the highest revenues since its inception in 1979; revenues from May to December 2021 more than doubled 2020 numbers.
- As the Risk Management Fund for FY2022 is now primarily a property tax supported fund, the fund balance policy will need to be changed.

Ms. Kusturin spoke briefly on the following, noting that both topics are reported in more detail in the February 2022 edition of the Illinois Municipal League's review magazine.

- Peoria County receives funding based upon the unincorporated population, and Ms. Kusterin noted that the unincorporated population decreased in the latest census by 1,610 residents, which will result in an estimated \$350,000.00 negative impact to the budget in 2022.

- Nine of twelve months in FY2021 saw the highest Income Tax revenues in 24 years, with that trend continuing into 2022. The Illinois Municipal League Review cites an improved labor market, high receipts, adjustments made due to potential impacts in the event of the passage of the Build Back Better Act, increased wages, and decreased unemployment.

A motion to allow the participation of Ms. Daley and Ms. Reliford via teleconference was made by Ms. Williams and seconded by Dr. Blair. The motion carried unanimously (11-0).

➤ February 2022 Accounts Payable Review

Ms. McCord advised that adjustments in the accounts payable process include a focus on ensuring that the coding of invoices are aligned with the budget and allow for improved alignment with the new ERP System. She commented that she and staff are working with county staff who enter batches for Accounts Payable in order to identify any discrepancies in the coding, as well as educating those employees on proper coding.

Ms. McCord advised that there has also been discussion on how best to handle pre-paid expenses moving forward, as well as improvements in the P-Card process, particularly with recurring vendor expenses.

Mr. Rieker asked for further assessment of the P-Card authorization/approval process and Ms. McCord agreed that the process would be reviewed.

➤ Heddington Oaks Financial Report

Mr. Letcher advised that financial information for December 2021 through Period 13, and January 2022 is included in the committee packet.

Mr. Letcher advised that additional information has been submitted to RSM in regard to Medicare reimbursement projects. He stated that a \$31,000.00 payment for monies originally written off in 2015 has been received from the bankruptcy estate of a now defunct hospice company.

➤ Legislative Update

No report. No questions or comments from committee.

Joint Resolution

➤ FY2022 Budget Appropriation for COVID-19 Grants (joint with County Health Committee)

A motion to approve was made by Mr. Salzer and seconded by Ms. Groves Allison. Mr. Sorrel explained that the Health Department has received several grants related to COVID-19. He commented that unspent grant funds will be appropriated from FY2021 into the FY2022 budget, and added that the grants are reimbursable.

The motion to approve carried unanimously (11-0; Ms. Daley and Ms. Reliford absent for vote).

Resolutions

➤ FY2022 Encumbrance Rollover Appropriation

A motion to approve was made by Mr. Rieker and seconded by Dr. Blair. Mr. Sorrel advised that the recommended appropriation includes all open purchases orders from the prior year for which spending authority needs to be moved forward, as well as additional adjustments which were not part of the FY2022 budget.

The motion to approve carried unanimously (12-0; Ms. Daley absent for vote).

➤ Amendments to Tax-Exempt Revenue Bonds, Series 2012

A motion to approve was made by Mr. Dillon and seconded by Dr. Blair. Ms. McCord advised that the interest rate for bonds issued in 2012 for Goodwill Industries of Central Illinois were set at a LIBOR rate, which is being phased out at the end of 2022. She stated that staff recommends an amendment of the Goodwill Industries Series 2012 conduit bond to reflect a change from the LIBOR to BSBY interest rate.

Ms. Hilson advised that the BSBY rate is similar to LIBOR in that it is a variable rate index designed to measure an overnight lending rate.

The motion to approve carried unanimously (13-0).

Adjournment

The meeting was adjourned by Chairperson Fennell at 2:29 p.m.

Recorded & Transcribed by: Jan Kleffman