

**Minutes of the**

**BI-STATE REGIONAL COMMISSION  
FINANCE & PERSONNEL COMMITTEE**

Monday, May 13, 2013 – 7:30 a.m.  
Bi-State Regional Commission  
Third Floor Conference Room 320  
1504 Third Avenue  
Rock Island, Illinois

MEMBERS PRESENT: Chair –Austin, Goodwin, Gordon, Hillman, O’Boyle, Stoermer

MEMBERS ABSENT: Earnhardt, Sherwin

STAFF PRESENT: Bulat, Moritz

1. Consideration of Approval of the Minutes of the November 19, 2012 Meeting. Ms. Hillman moved approval of the minutes of the November 19, 2012 Finance and Personnel Committee meeting as written and mailed. Mayor O’Boyle seconded the motion, and it passed unanimously.
2. Presentation of Proposed FY2014 Commission Planning Budget. Ms. Bulat explained the budget was presented today anticipating the Committee will complete their budget work at this meeting and consider recommending the budget to the Full Commission for their approval. She noted the budget was prepared by staff over the last few months. She stated revenue increased \$168,000 (8.5%) from the estimated FY 2013 Budget and is primarily attributable to the Rural Jobs Accelerator Grant, use of carryover transportation funds, and additional contracts. Ms. Bulat said expenditures include continuation of the merit performance review and compensation program at an average of 2.5% with a 1% across the board wage adjustment.

Ms. Bulat reviewed the member government dues page 11, stating there is no increase recommended in membership dues budgeted due to the fiscal constraints of our member governments. She also noted of the \$379,000 of dues, \$239,000 is being used for matching federal and state grants; the remaining dollars are used for regional programs and direct technical services. Ms. Bulat reviewed the line item budget noting the explanations of changes in the right hand column. She noted the Indirect Cost calculation change requested by Department of Commerce was shown on the bottom of page 8. The calculation of the Indirect Cost rate is now determined by the most recent fiscal year audited costs. They were previously calculated on the budgeted Indirect Costs with carry forward of under/over indirect costs from the most recent fiscal year audited costs.

Ms. Goodwin moved recommendation to the full Commission of the Proposed FY 2014 Commission Planning Budget as presented. Mr. Stoermer seconded the motion, and it passed unanimously.

3. Discussion and Consideration of Selection of Firm to Conduct Commission's Annual Audit for Fiscal Years Ending June 30, 2013, 2014, 2015, 2016, & 2017. Ms. Moritz reported Requests for Proposals were sent to 8 firms with 3 proposals received, one firm responding they were

unable to submit a proposal, and four didn't respond. Ms. Moritz reviewed a spreadsheet of the three proposals received to conduct the Commission's annual audits. She stated the review team felt all firms demonstrated the ability to perform the Commission's audit, and their proposals were based on comparable hours of audit service. Ms. Bohnsack currently is the temporary administrator for the City of Aledo, but it was noted that she would no longer do this as of the audit contract time period. Mr. Gordon moved to recommend to the full Commission the lowest bidder, Bohnsack & Frommelt, LLC, and their five-year proposal to conduct the Commission annual audit for June 30, 2013, 2014, 2015, 2016, and 2017 for the following amounts respectively, \$15,500, \$16,000, \$16,500, \$17,000, and \$17,500. Ms. Hillman seconded the motion, and it passed unanimously.

4. Discussion and Consideration of Adjusting Post Retirement Health Benefits. Ms. Bulat reviewed a letter proposing a revision to the post retirement benefits. She stated the current policy is to provide post retirement health coverage to employees who retire after 20 years of service and have attained age 55 with premium payments shared in the same percentage as a current employee and includes family coverage if they are insured at the time of retirement. The current funding policy is pay as you go. The cost of this benefit is determined through an actuarial analysis. The net unfunded obligation was identified as \$198,191 as of June 30, 2012. There are no retirees currently receiving this benefit. Staff surveyed nine of our larger member governments and found five provided no post retirement coverage, two provided 50% post retirement coverage, and two provided post retirement health benefits the same as being employed. Ms. Bulat recommended revising the policy to provide 50% post retirement premium coverage for the employee only allowing other eligible family members to buy into the pool if they pay 100% of the premium. She stated the estimated savings in the liability of this benefit change will be determined with the actuarial analysis for June 30, 2013, and the committee can review this to determine if the future liability is sufficiently reduced. There is one eligible retirement in the next 12 months although the retirement is not expected at this time.

Mr. Stoermer made a motion to revise the policy to provide 50% post retirement health premium coverage for the employee only allowing other eligible family members to buy into the pool if they pay 100% of the premium. Mr. Gordon seconded the motion, and it passed unanimously.

5. Emergency Succession Plan. Ms. Bulat presented the Emergency Succession Plan to the Committee in the event that she would need a temporary replacement. The plan states Gena McCullough, Planning Director would be the Acting Executive Director. If she is unable to serve, Donna Moritz, Administrative Services Director and Mark Hunt, Economic Development Program Manager would be co-appointees for the Acting Executive Director position.

Mr. Stoermer moved approval of the Emergency Succession Plan with an annual review by the Finance & Personnel Committee. Ms. Hillman seconded the motion, and it passed unanimously.

6. Other Business. There was no other business.
7. Adjournment. The meeting adjourned at 8:37 a.m.