

Proceedings of the Ogle County Board Meeting  
October 19, 2010

State of Illinois )  
County of Ogle ) ss

**Call to Order**

Chairman Rice calls the Ogle County Board Meeting to order at 5:32 p.m.

**Roll Call**

The roll call shows members Kenney and Messer were absent. The Invocation is given by Chairman Rice and followed with the Pledge of Allegiance.

**Approval of Minutes**

Chairman Rice asks for a motion to approve the September 21, 2010 Ogle County Board Meeting minutes. Huntley moves to approve, Bowers seconds and the motion carries on a voice vote.

**Approval of Reports**

Chairman Rice asks for a motion to accept the monthly report of the Treasurer, Ogle County Clerk & Recorder and Circuit Clerk. Heuer moves to accept the reports as filed, Colbert seconds and the motion carries on voice vote.(Placed on file)

**Appointment – Ogle County Housing Authority – R-2010-1004**

Chairman Rice has received a recommendation from the Executive Committee to re-appoint Donald J. Finn to the Ogle County Housing Authority. Bowers moves to accept R-2010-1004, Horner seconds. The motion carries on a voice vote.(Placed on file)

**Vacancies –**

- Mental Health 708 Board – 1 unexpired term
- Mental Health 708 Board – 2 vacancies

Application deadline for vacancies is  
Friday, December 3, 2010 at 4:30 p.m. in the County Clerk's Office  
located at 105 S. 5<sup>th</sup> St – Suite 104, Oregon, IL

**Zoning –Flood Damage Prevention Ordinance – Ordinance 2010-1002**

Chairman Rice presents the Flood Damage Prevention Ordinance and this will lay over for a month. Hopkins moves to adopt the Flood Damage Prevention Ordinance (O-2010-1002) and states this is an update of the current Ordinance. Hopkins moves to adopt O-2010-1002 as presented, Heuer seconds and the motion carries on a voice vote.(Placed on file)

**Zoning – Moratorium on Wind Tower Approvals – Ordinance 2010-1003**

Hopkins moves to extend the Moratorium on Wind Tower (Commercial Wind Energy Conversion Systems) Approvals. The Moratorium established under Ordinance #2010-0404 shall be extended to conclude the earlier of June 30, 2011 or by action of the Ogle County Board. Barnes seconds and the motion carries on a voice vote.(Placed on file)

**Public Comments**

- Diane McNeilly - President of the League of Women Voters and here to comment on the position of the County Administrator. McNeilly expresses her concerns regarding the possibility of eliminating the position by a simple majority vote. McNeilly has been asked by the League of Women Voter's Board to remind the County Board of their continued support of this position. The League initiated a two year study on County Government from 2002 to 2004 and made two recommendations to increase the effectiveness and efficiency of the Ogle County Board:
  - 1 - To consider the hiring of a County Board Administrator
  - 2 - Consolidate and reorganize the number of County Board Committees to prevent the breaking of the Open Meetings Act and to improve communication among the committees

The County Board implemented both of these recommendations. The County Administrator position was created to provide:

- Day-to-day operational assistance to the County Board; so the board can concentrate on county direction and are making county policy
- To coordinate the operations between and among both appointed and elected departments
- To provide information to the County Board Committees so decision making can be based on facts and best practices
- To provide intergovernmental relationships with other public bodies
- The County Administrator is the right person to articulate and help carry out Board visions and future changes which will be recommended by the departments in the county

I cannot imagine a College without a President being run by the board or a school district without a Superintendent being run by a board. There is a purpose to have an Administrator to make government work right for everyone. The League recommendations were based on findings that included several instances in which the County Board was breaking State and Federal Laws because they were unaware of the laws. They also found the county budgeting process was inefficient and unfair to departments. The original 2004 letter from the League of Women Voters is being redistributed and McNeilly encourages all to read again. McNeilly thanks the board and departments for efforts to contain costs maintaining your excellent services. McNeilly also thanks the board the magnificent job on the remodeling of the courthouse.

- Don Conn – Agrees with McNeilly and the League of Women Voters regarding the County Administrator position. Conn encourages all to read the letter in Ogle County Life paper from Diane McNeilly. Conn talks about the division of members on the County Board.

#### **Road & Bridge – Freeport Road – 10-00279-00-BR – R-2010-1005**

Huntley moves to approve the Preliminary Engineering Agreement – design of a bridge replacement on Freeport Rd with Willett, Hofmann & Associates, not to exceed \$59,899.16 – Section 10-00279-00-BR – R-2010-1005. Barnes seconds and the motion carries on a voice vote.(Placed on file)

#### **Road & Bridge – Union Road – 10-00278-00-BR – R-2010-1006**

Huntley moves to approve the Preliminary Engineering Agreement – design of a box culvert replacement on Union Road with Wendler Engineering Services, not to exceed \$20,500 – Section 10-00278-00-BR – R-2010-1006. Colson second and the motion carries on a voice vote.(Placed on file)

#### **Ogle County Claims – Clerk reads the claims:**

- Payments in Vacation – September 2010 - \$47,048.55
- County Board Payments - October 19, 2010 - \$174,542.50
- County Highway Fund – \$23,984.08

Bowers moves to approve the claims as read, White seconds and the motion carries on a voice vote.(Placed on file)

### **COMMITTEE REPORTS**

The following committee minutes have been placed on exhibit: 911 ETS Board, Executive and State's Attorney, Finance and Insurance, HEW & Solid Waste, Juvenile & Probation/Judiciary & Circuit Clerk, LRP-Courthouse Renovations, Personnel & Salary - County Clerk, Planning & Zoning – Supervisor of Assessments, Road & Bridge, Sheriff & Coroner/Buildings & Grounds/IT Committee and Tri-County Opportunities.

The following committees had no minutes to file: Blackhawk Hills RC&D, Board of Health, GIS Committee, Ill Assoc of Co Bd Members, Liquor Commission, LRP –Emergency Operations Center, Mental Health Board, Regional Planning Commission, Safety Committee and UCCI/ICRMT.

**H.E.W. Committee**

Minutes placed on exhibit

O-2010-1001

Chairman Rice presents O-2010-1001 to increase the fees for the Well & Septic Program through the Health Department:

Ogle County Health Department  
Well & Septic Program

10-1D-2:

	<u>Present Fee</u>	<u>Proposed Fee</u>
Mechanical Unit registration Fee	\$25	\$50
New Septic Permit	\$250	\$300
Repair Septic Permit	\$175	\$225

Bauer moves to approve O-2010-1001 as presented last month, Horner seconds and a roll call vote is called:

**YES:** Nye, Saunders, Stahl, White, Barnes, Colbert, Colson, Diehl, Gronewold, Hopkins, Horner, Huntley and Rice

**NO:** Janes, Kilker, Williams, Bauer, Boes, Bowers, De Arvil, Gouker and Heuer

**ABSENT:** Kenney and Messer

The motion carries on a roll call vote.(Placed on file)

**Personnel & Salary  
and**

**County Clerk Committee**

Minutes placed on exhibit

R-2010-1008

County Clerk Huntley informs the board of the need to set the Bond amount for the County Clerk and County Treasurer which is set by the Illinois State Statutes. Kilker makes the motion to approve R-2010-1008 as presented, White seconds and the motion carries on a voice vote.(Placed on file)

**Judiciary & Circuit Clerk**

Minutes placed on exhibit

R-2010-1010

Chairman Rice presents the Resolution 2010-1010 to increase the Ogle County Law Library fees to be collected by the Clerk of the Circuit Clerk, fee not to exceed \$21. Nye moves to approve R-2010-1010 as presented and Colbert seconds. Heuer asks what was the previous amount collected? The fee was \$13 and it will increase to \$18, but not to exceed \$21. The motion carries on a voice vote.(Placed on file)

**Finance & Revenue**

Minutes placed on exhibit

R-2010-1001

Hopkins presents R-2010-1001 regarding the Trustee Tax Sale on property 22-08-127-017. Saunders seconds and a roll call vote is taken:

**YES:** Kilker, Nye, Saunders, Stahl, White, Williams, Barnes, Bauer, Boes, Bowers, Colbert, Colson, De Arvil, Diehl, Gouker, Gronewold, Heuer, Hopkins, Horner, Huntley, Janes and Rice

**NO:** None

**ABSENT:** Kenney and Messer

The motion carries on a roll call vote.(Placed on file)

R-2010-1002

Hopkins presents R-2010-1002 regarding the Trustee Tax Sale on property 22-08-204-009. Huntley seconds and a roll call vote is taken:

YES: Kilker, Nye, Saunders, Stahl, White, Williams, Barnes, Bauer, Boes, Bowers, Colbert, Colson, De Arvil, Diehl, Gouker, Gronewold, Heuer, Hopkins, Horner, Huntley, Janes and Rice

NO: None

ABSENT: Kenney and Messer

The motion carries on a roll call vote.(Placed on file)

R-2010-1003

Hopkins presents R-2010-1003 regarding the Trustee Tax Sale on property 22-09-177-011. Horner seconds and a roll call vote is taken:

YES: Nye, Saunders, Stahl, White, Williams, Barnes, Bauer, Boes, Bowers, Colbert, Colson, De Arvil, Diehl, Gouker, Gronewold, Heuer, Hopkins, Horner, Huntley, Janes, Kilker and Rice

NO: None

ABSENT: Kenney and Messer

The motion carries on a roll call vote.(Placed on file)

Special Meeting

Hopkins states there will be a Special Budget Hearing on Tuesday, October 26, 2010 at 5:30 to review the budget for FY2011. Hopkins states a draft copy has been distributed this evening to all board members.

**Executive Committee**

Minutes placed on exhibit

R-2010-1007

Chairman Rice presents R-2010-1007 regarding the 2011 Holiday Schedule. Horner moves to approve R-2010-1007 as presented, Bowers seconds and a roll call vote is called:

YES: Nye, Stahl, Williams, Barnes, Bauer, Bowers, Colbert, Colson, De Arvil, Diehl, Gouker, Heuer, Hopkins, Horner, Huntley, Janes, Kilker and Rice

NO: Saunders, White, Boes and Gronewold

ABSENT: Kenney and Messer

Colson says the audience should be aware this Holiday Schedule is set by the Chief Judge, while we may not agree on it we do have to pass it.

The motion carries on a roll call vote.(Placed on file)

Tax Abatement

R-2010-1011

Chairman Rice presents R-2010-1011 to grant a Real Estate Tax Abatement for Project Private Label:

- o Located in the City of Rochelle/Dement Township
- o Estimated number of jobs created: 30-40 (Avg. starting salary: \$30,000 and full benefits including 401K, medical insurance and stock purchase options)

- o Estimated Capital Investment: \$10.2M (Equipment, Land and Building)
- o Estimated Size of Building Expansion: 336,000 sq ft

They qualify for a three year tax abatement at 90% the first year, 75% the second year and 60% for the third year. Jason Anderson, Executive Director of GREDCO is here to give an update on projects. Since 2003 when Global III was constructed and was the economic development engine that has brought about a lot of new development to Ogle County. From 2003 to 2011 when Project Buffer will take effect, there has been \$42,185,000 increase in the Industrial based EAV. Project Private Label is a company who came to Rochelle two years ago and built a 600,000 sq ft distribution, packaging and labeling operation. They told Anderson at that time after they built the facility, they thought they may need to come back and build again. They have multiple locations across the country and have options to make these expansions in other areas. They like Rochelle and the experience they have had the last two years. They have asked Anderson to proceed with a Tax Abatement proposal for all of the taxing bodies. Anderson states all of the taxing bodies have approved the Tax Abatement and Ogle County is the last proposal to make. Heuer asks if there is a yearly assessment or a “claw back” on this abatement. Anderson states there is no “claw back” provision per say in the Tax Abatement Program. The Tax Abatement is not given until the jobs have been created which sometimes takes up to a year and half for the Tax Abatement to take effect. They stay in close contact with the operations in Rochelle. Hopkins asks what the track record is for the Tax Abatements approved by the County Board. Chairman Rice asks how many Tax Abatements were offered and the company did not come. Anderson states Projects Levy, Dean and Alpha have been proposed but chose not to come. Gouker asks what is the purpose of the “Project” name and why can’t you disclose the name of the company. Anderson states companies like this and other companies are in very competitive situations. Gouker asks why we should give a company an abatement to attract them when they are already here. Anderson replies they could have options to expand in other places where they could be given land or 10 years worth of Tax Abatements. One of the things which make Rochelle attractive is the location and a lot of rail availability. The incentive for the Tax Abatement for Project Private Label is to have them expand here; they may be here now but they do not have to expand here. We want them to expand here in Rochelle. Gouker asks how much of the decision making process is the Tax Abatement, is it location. Anderson says in the scope of the big picture this three year Tax Abatement is everything to them and they have made that clear to Anderson. Gouker would like to see a detailed report regarding Tax Abatements brought before the board. Anderson has a chart which he will send to Meggon McKinley for distribution. Gouker would like the report to have the number of jobs, salaries, etc; to see how effective the Tax Abatements have been. Boes asks if this is a wholly owned US company. Anderson doesn’t think this company has any foreign interests and they are based out of Green Bay, Wisconsin.

Horner moves to approve R-2010-1011, Saunders seconds and a roll call vote is called:

**YES:** Saunders, Stahl, White, Williams, Barnes, Bauer, Boes, Bowers, Colbert, Colson, De Arvil, Diehl, Gouker, Gronewold, Heuer, Hopkins, Horner, Huntley, Janes, Kilker, Nye and Rice

**NO:** None

**ABSENT:** Kenney and Messer

The motion carries on a roll call vote.(Placed on file)

R-2010-2012

Chairman Rice presents R-2010-2012 for an Amendment to Economic Recovery Zone Facility Bond Allocation Authorization – GREDCO Private Developer Bonds which was adopted on May 18, 2010 (R-2010-0512. Anderson says the Ogle County Board originally allocated \$4,409,000 Recovery Zone Facility Bond money. GREDCO at that time proceeded with a study to determine what the storm water mitigation issues are in a part of the Industrial Park where Interstate 39 and Interstate 88 intersect in Rochelle. This is where the City of Rochelle Railroad accesses the rail lines of UP and BNSF. The issue of expanding the current Industrial Park and adding more industrial capacity is limited by storm water issues affected by this area. They asked Lee Prunty to spend some time and look at the overall rail issues and the storm water issues. There are two limiting issues – storm water and the current rail system is at full capacity. They cannot expand more rail served businesses without expanding the rail capacity. Anderson says GREDCO is asking for the opportunity to use the allocated money for the approved storm water detention project and/or a new rail extension project. County Administrator McKinley has talked to the bond companies and they want the allocation be documented properly. The project description needs to be included in the resolution. Lee Prunty reviews the rail project and what they would like to accomplish. There was discussion regarding the number of rail lines under the Steward Rd project. Anderson says County Engineer Cook had the foresight and planned for a second rail under this overpass. Anderson invites the board members to the Grand Opening of the Steward Rd Overpass on Thursday, October 28<sup>th</sup> at 10:00 a.m. There was discussion about TLC allowing them to use their rails for switching. They want to add additional switching yard tracks on city property to make the switches. The ethanol plant uses the tracks to export their dried distilled grain using Global III and Intermodal containers. Colson states they export the dried distilled grain to the West to be sold to Pacific Rim countries. Prunty said they could easily double the capacity of what goes out of Global III if they could get additional cars and trains. Gouker questions the need for the switch from the original plan. In May when the original project was presented there was no discussion regarding additional switches. Prunty explains the storm water project will help facilitate additional rail in that area. Barnes wants to make sure there is no cost to the county. Chairman Rice states there is no cost to the county. Administrator McKinley states the allocated dollar amount of \$4.5 million has not changed. This will allow them to determine which other project can become part of it. Horner moves to approve R-2010-2012, White seconds and a roll call vote is called:

**YES:** Stahl, White, Williams, Barnes, Bauer, Boes, Bowers, Colbert, Colson, De Arvil, Diehl, Gouker, Gronewold, Heuer, Hopkins, Horner, Huntley, Janes, Kilker, Nye, Saunders and Rice

**NO:** None

**ABSENT:** Kenney & Messer

The motion carries on a roll call vote.(Placed on file)

City of Rochelle

Jason Anderson states the City of Rochelle will announce along with Governor Quinn the construction of a 500,000 sq ft manufacturing

facility. This is known as Project E-Rail and will bring another 250 jobs to the region.

## **Sheriff/Buildings & Grounds**

### **Coroner & IT Committee**

Minutes placed on exhibit

#### ICE Project

Sheriff Elect Harn distributes the Immigration and Customs Enforcement (ICE) concept proposal which was submitted on October 8<sup>th</sup>. They are waiting to hear from them and it may be six weeks before they hear anything. Williams would like to know how they came up with the per diem figures. Sheriff Elect Harn reads a prepared statement:

The per diem estimate in our proposal was calculated by taking the total cost of ownership of the facility on an annualized basis and dividing it by the total number of inmate days per year. We asked for a twenty year contract with a guarantee of 90% of the minimum 500 beds ICE requested.

The total cost of ownership is:

- All related direct and indirect personnel costs including fringe benefits.
- All contracts for medical, food service etc. related to the facility.
- Estimated debt service, which includes land acquisition costs, constructions costs etc.
- Estimated depreciation.
- Estimated maintenance expenses over the life of the contract.
- Estimated utility expenses.
- Estimated expenses for detainee services e.g. clothing, bedding etc.
- Estimated expenses for detention staff e.g. uniforms, training, transport vehicles etc.
- Factored in was an average cost of living adjustment of 3% per year for twenty years.
- Other costs for communications and information technology equipment etc. that are necessary for operation of the facility.

The total inmate days is derived by adding together the 450 ICE (90% of the 500) plus an estimated 50 Ogle County detainees per day and multiplying that by 365.25 days per year (the average over four years). That result is 18,712.5 inmate days per year.

The per diem in this case then is the annualized cost of ownership divided by 18,712.5 inmate days.

Sheriff Elect Harn will get this information to Administrator McKinley and make sure the board members get a copy of the above information. Colson would like to know if they had allowed for the county to recover a portion of the operational expenses for the Circuit Clerk and State's Attorney Offices. Sheriff Elect Harn states yes that is in the formula.

## **Long Range Planning**

### **Courthouse Renovation**

Minutes placed on exhibit

#### Update

Stahl updates the board on the following:

- We signed off with Ringland-Johnson today and the final payment is included in the LRP bills
- The updated spreadsheet was included in the packets
- We expect to be under-budget for the project
- The Long Range Planning Committee was disbanded at the last meeting
- Any future items will be turned over to the Buildings & Grounds Committee and go through the Executive Committee

Colson asks about the \$125,000 which is anticipated for the tuck pointing of the building. He would like to see this addressed before we finalize everything. Chairman Rice states it will be up to the next County Board to put that project together.

#### R-2010-1009

Stahl presents Resolution 2010-1009 authorizing \$207,052.16 to be paid out of the Long Range Planning Fund as follows:

### Ogle County Board Meeting

October 19, 2010

SUPPLIER NAME	DESCRIPTION	AMOUNT
Ringland-Johnson Inc.	Courthouse Construction-Remodel #14 & 15	\$ 164,121.00
Fischer's, Inc.	Filing Cabinets - Old Courthouse	\$ 2,023.55
Fischer's Inc.	Labor-Bulletin Board - Old Courthouse	\$ 101.81
H.E.S.S. Caulking & Restoration	Restoration of Sandstone Columns	\$ 10,200.00
Fehr-Graham & Associates	Email Conversion	\$ 14,700.00
Google, Inc.	Email Firewall Software	\$ 2,400.00
SimplexGrinnell	Security Contract-Old Courthouse	\$ 8,913.00
Frostline Inc.	GUI Software on A/V-Old Courthouse	\$ 2,598.65
Business Office Systems	County Clerk's Final Workspace	\$ 1,994.15
	TOTAL:	\$ 207,052.16

Nye moves to approve R-2010-1009 as presented and Horner seconds. Williams states last month he suggested the architects do a complete accounting on the project. Administrator McKinley states she has reviewed all the documents they have submitted and she is satisfied. We have all the final lien wavers except from the firm who refuses, however we have confirmed they have not filed a lien. We have all of the final sign off documentation. Chairman Rice and Administrator McKinley met with Ringland-Johnson today and have received all of the owner's manuals and warranty information. McKinley thanks Ringland-Johnson for rearranging the warranty information and their hard work on the project. Gouker asks if the Big Joe Plumber lien has been resolved. McKinley says that was settled months ago. All contractors are paid for the work that was done; any that had a dispute filed a lien and those have been settled by Ringland-Johnson. There is one company who says Big Joe owes them money. However, the company did not file a lien properly nor did they register a complaint of accounting to get the fund from the lien money held. The time line has passed and they cannot come back on the county. Janes questions the bill for Google, Inc. McKinley says this is for anti-virus / malware which is usually provided by your ISP. We did not realize RMU does not provide this service. This is part of the firewall configuration. We are going to be under budget on this project. Williams asks about the Business Office Systems is this the last bill for them. McKinley states she and Holabird & Root have negotiated with BOS and they have given us items they were going to bill us for. Williams asks if the elevator has been repaired. McKinley states they have agreed to pay for the repair and we are still in the process determine how that will be done. We are not holding money back; they have agreed to pay the bill when the work is complete. Colson informs a typo in the amount at the top of the resolution. This will be corrected. A roll call vote is called:

**YES:** White, Williams, Barnes, Bauer, Boes, Bowers, Colbert, Colson, De Arvil, Diehl, Gronewold, Heuer, Hopkins, Horner, Huntley, Nye, Saunders, Stahl and Rice

**NO:** Gouker, Janes and Kilker

**ABSENT:** Kenney and Messer

The motion carries on a roll call vote.(Placed on file)

#### **Chairman Comments**

- Exciting things are happening – the completion of the Courthouse, payoff of the General Contractor and the announcement of the opening of a manufacturing company in Rochelle. Ogle County should be pleased with the activity taking place in the county.

### **Administrator Comments**

- McKinley responds to the public comment shared by Diane McNeilly regarding the County Administrator position. The Board will face many challenges in the coming year with setting priorities. You have to look at the position of the Administrator as a return on your investment; for the \$80,000 salary what in return are you getting? McKinley states the following accomplishments:
  - Championed \$1.7 million in expense reductions - worked with department heads last year to reduce expenses \$1 million with another \$500,000 reduction on the table this year
  - Managing the Courthouse Project which will be \$150,000 under budget
  - Created an Early Retirement program which netted a \$56,000 savings
  - Rearranged the IT infrastructure with the Sheriff's help with a which is a savings of \$15,000 in the last five months; which will save us \$30,000 a year

McKinley encourages people if they don't understand or read something in the paper, to please contact her. The comments and rumours made can be demoralizing to the county employees who are trying to manage the funds as bet they can with what they are given.

### **Unfinished Business**

- Gouker thanks McKinley for bringing forward the rumours since this is the first he has heard of this. It is also the first he has heard of the \$1.7 million in reductions and as a voter he would like to see this.
- Gouker also asks about an article in the newspaper about the county being sued. State's Attorney Roe has not received any filing of a lawsuit. Kilker is concerned with an article in the Dixon Telegraph dated October 7<sup>th</sup>. Sheriff Elect Harn said those comments were made by an attorney, but no papers have been served.
- Boes would like to have a moment of silence for 19 year-old Lance Cpl. Alec E. Catherwood of Byron who was killed last week in Helmand province, Afghanistan. Chairman Rice asks for everyone to stand for a moment of silence.
- Williams asks we send a sympathy card to the Catherwood family.

### **New Business –**

#### **Communications –**

- Sales Tax for July 2009 was \$25,081.97 and \$57,432.22
- Sales Tax for July 2010 was \$23,361.42 and \$65,735.29

### **Motion to Adjourn**

At 7:00 p.m., Nye makes the motion to adjourn the Ogle County Board meeting until Tuesday, November 16, 2010. Huntley seconds and the motion carries on a voice vote.

W. Ed Rice  
Chairman - Ogle County Board

Attest: Rebecca Huntley, Ogle County Clerk &  
Ex-officio Clerk of the Ogle County Board

Proceedings of the Ogle County Board  
Public Budget Hearing  
October 26, 2010

State of Illinois )  
County of Ogle ) ss

**Call to Order**

Chairman Rice calls the Ogle County Board Meeting to order at 5:30 p.m.

**Roll Call**

The roll call shows Janes and Messer are absent. The Pledge of Allegiance is recited.

Chairman Rice states the purpose of this meeting tonight is to review, discuss and take any public comments regarding the proposed FY2011 Ogle County Budget.

Vice-Chairman Hopkins reviews expenditures and revenues for 2010 – 2009 – 2008 information using a PowerPoint presentation.

Revenues	Expenditures
2008 - \$12,279,000	2008 - \$12,896,000
2009 – \$12,271,847	2009 - \$13,044,603
2010 - \$11,500,000	2010 - \$12,500,000

The General Fund Budget for 2010 is expecting a \$2 million projected shortfall between revenues and expenses. We have been able to reduce 2010 expenses by \$1 million with \$700,000 coming from the Sheriff's Department and \$300,000 from other departments and \$1 million in a reserve contribution. These are all round numbers and not to the exact penny. We are giving you an idea of where we have come from to get the figures. The 2011 projected Revenue is \$11,400,000 and we have a \$650,000 expense reduction from various departments. There will be a \$591,000 contribution from the Solid Waste Fund to cover \$400,000 for General Fund utilities, \$30,000 for Highway utilities, \$55,000 for Focus House utilities and \$106,000 as a remaining contribution. Hopkins asks the board if they would like to go through the budget page by page. There was no clear answer. Kilker would like to hear from each member of the Finance Committee as to their feelings about this budget.

- White – Has concerns about this budget and he did vote no at the last committee meeting. There could be more cuts made and feels the \$170,000 contribution for the health insurance from the Highway office is out of line. This year has been the most difficult year for budgeting due to the shortfalls of the State and Sales Tax Revenue. He points out that the Highway Office has the same issues; they have had a loss of \$217,000 in revenue annually in Motor Fuel and highway allotments since 2006. They got hit with an underfunded mandate. The legislature increased the default weight limit to 80,000 lbs on roads for the State of Illinois. They passed a bill to grant \$750,000 to Ogle County, the Governor said Ogle County Highway Department will get \$151,000 towards the estimated cost to upgrade the roads. The cost to upgrade the roads in Ogle County is estimated to cost \$41 million; so we are a tad short on funds. Over the past 7 – 8 years the Ogle County Highway Department has reduced its budget as dictated by the reduced revenue stream. This has caused the highway department to switch from road replacement to road maintenance. I feel the infrastructure is the most important thing in our county. The Ogle County Highway Department cannot afford the \$170,000 from their budget with the underfunded mandate and the reduced revenue stream. The Highway has a levy which is not tied to the General Fund.
- Gronewold – During the budget process I was under the assumption that we could make cuts by working line by line with the department heads. I feel we are at a place where cuts are going to be people. After rethinking and talking to members of the Finance Committee; I have agreed to use the money from the interest market we have

- to make the budget work. The highway is levied and I see the Motor Fuel & Bridge budget is higher this year. I feel he can make the insurance payment out of his budget. I hope within a couple of years this will turn around and not hurt the infrastructure of Ogle County. After everything is said and done; I hope the people and department heads of Ogle County realize what a blood bath this budget would be without Exelon and the landfills. We are very fortunate to be sitting in this building.
- Saunders – All other self-funded departments contribute money for their insurance; Health Department, Animal Control and Solid Waste. The Highway department is self funded and I do not think this is out of line to ask for this. As an offset we have agreed to pay the utilities which are approximately \$30,000, so the net loss to the Highway Department will be \$140,000. In the multimillion dollar budget for the highway I think it can come without cutting a lot of services. We may not be doing any mowing next summer and this is something we can live without. Curtis should be able to find enough funds to keep the roads safe without any further cuts. I agree part of the money should come from the interest from Solid Waste. We don't want to spend more than a third of that, we have a few tough years ahead. I realize the Highway Department has a loss of revenue as we have, but we are not asking them to contribute as much as we have asked from the Sheriff's Department. Public Safety is also a big safety concern for the taxpayers of the county.
  - Kenney – Everyone took a hit through the budget process this year. Public Safety is one of the primary focuses along with the Highway Department. Hopefully we will see an economic switch where things will improve. The Department Heads have gone to any length to help with the process. I don't know where else to look, our mission was not to reduce employees. This remains to be seen since we are still negotiating contracts.
  - Diehl – The Finance Committee has spent a lot of time with the budget process and a have heard a lot of negative things. I would like to look at some of the positives – The County Clerk & Recorder has a budget she can live with and that is an important office, the Sheriff and his five budgets I think are workable budgets and the Treasurer has a budget he can work with. I'm worried about the Circuit Clerk who ever he or she will be; I don't know how they are going to handle it. I don't know what the right number is; we have a number and I don't know how we derived at the number. These are I feel four of the most important budgets. There are good programs which save the county money and make the county better. We have to decide how to fund them and at what level of service we want to provide. It has been my intention from the start to cut the gap down to \$274,000 and use the balance in the indemnity fund to make up the difference. I still believe we can get there and that is why I was the other NO vote. I have been very clear with Curtis, the only way I could balance the budget was for the Highway department to fund their insurance. I believe this to be equitable in my mind.
  - Rice – I had a meeting with other County Chairman from Stephenson, Carroll, JoDaviess, Whiteside and Lee counties. The biggest item on their agenda today was county budgets. Stephenson County is operating at the 2005 level and the Sheriff has laid off several employees. All of the counties except for Ogle have had their Highway department fund their insurance for their employees. We have asked all of our department heads to watch their budgets and I believe all have done a great job this year. We have also asked them to use discretionary funds and they have been doing this. This is why I have agreed to use money from Solid Waste; this is a discretionary fund for the County. We will use this money to pay utilities and I can support that.
  - Hopkins – We have spent about 30 hours of meetings working on the budget. The Long Range Capital Improvement Fund by the end of the projected 2011 Budget will be \$750,000 more than when we started. There is \$1.9 million of interest in the Solid Waste Fund; we are \$650,000 short and this money could be used to balance the budget. Otherwise we will have to start cutting personnel and cutting services; we are here to serve the people of the county. I think this is the only way we can balance budget.

Boes asks about the \$420,500 for the salaries in the Circuit Clerk's Office, which is a \$128,000 shortfall. Will the Circuit Clerk have to lay off six people in that department to meet the budget? McKinley states we had to make a number of reasonable

assumptions and we still need help from the unions to concede wages. During Tina Martin's campaign she has said if elected she will not replace her position. The other assumption is there is a Chief Deputy in the Circuit Clerk's Office who does a real good job at supporting the technology needs of the office. This salary should be able to be funded by the Automation Fund or other discretionary funds from the office. This gets us up to \$95,000. Typer has reduced his part-time line item which is \$26,000 and his office supplies are at zero. So we are pretty close to the \$130,000 if we can use these assumptions and especially if we can leverage with the use of discretionary funds he has access to. McKinley says there are many other ways to work with the department head and avoid any layoffs. McKinley says she worked with each department head and the Finance Committee had discussed with department head during the budget process to understand how the other funds can be leveraged. Some of the department heads asked instead of reducing their budget, if they could rearrange some things and through the use of other funds make a revenue contribution to the General Fund. From the perspective of the Finance Committee it doesn't matter if it is a revenue contribution or an expense reduction, if you can make the number work and relieve the pressure; that is an acceptable model. Boes says State Statute dictates how the funds can be used in that office. McKinley says it is her understanding it depends on how the job description is structured. I think there is room to discuss this and the current Circuit Clerk has not agreed or gone that route. We hope the new Circuit Clerk might be able to find some options that we were not able to find before. Boes states before we go forward that we understand how the law reads and how it applies to expenditures in that office before we make this concrete.

Boes comments on the \$90,000 in the line item for repairs to the county buildings, where are we going to spend this money on repairs. Is there a plan? Beitel says so far this fiscal year we have spent \$91,000 on repairs of various county buildings. There is maintenance needed at the Courthouse, Jail, Judicial Center, Sheriff's Department, Health Department and Focus House which uses this money. This is the best estimate. Saunders says there have been several repairs at the Judicial Center, such as valves which broke and we are now out of the warranty period. Sheriff Beitel can get a breakdown of the expenses but it will take a day or two to retrieve the information. Boes would like to see a breakdown of the expenses, he has 30 years of maintenance experience and maybe he can offer some help. Heuer asks about the rent in line item 4220? Hopkins states this is for the Probation Office in Rochelle. Heuer asks if we are mandated by contract to provide uniforms to the maintenance department. Sheriff Beitel states yes we are. Heuer also asks about the vehicle maintenance line item 4585, it is the same as last year. Also, the vehicle purchase which line item 4755, what is this? Sheriff Beitel states Buildings and Grounds has a vehicle which will need to be replaced. The vehicle maintenance line item is for repairs to the Buildings & Grounds vehicles.

Williams asks about the Long Range Planning budget on page 22; professional services to Holabird & Root in the 2010 Adopted Budget should be higher. There is no year to date balances listed. McKinley says on this report many of the expenses are in the capital outlay line. McKinley believes she has accurately reported the Holabird & Root breakouts based on reports from the AP reports, but she will go back and look. Williams compares the information to the Road & Bridge where there are year to date totals included. He would like to see this be consistent and include the year to date information.

Williams inquires about the NITT Commission contribution of \$175,000, how much money have we contributed to date. Williams understands the goal of the NITT Commission however, a business decision needs to be made. We need to see a return on our investment and when will this happen. Chairman Rice comments we have made two payments of \$150,000 in the past five years. There are years we have included money in the Long Range budget, but it wasn't needed and has rolled over to the next budget year. There are negotiations going on with two potential customers; Allstate and Northern Trust Bank who are using the facility. The next thing which will enhance NITT and affect our budget in the future is the \$67 million given to the collar counties for broadband development. This will enhance their position and

expand the NITT and NIU systems without investing much more money of our own. With the \$300,000 contribution was used to qualify for the 20% in-kind donations which helped get the grant for the collar counties. Williams asks if we really need to spend the \$175,000. Chairman Rice says no. McKinley says the contribution was not made this year and the Finance Committee has agreed to just roll this amount over. Williams states we are asking people to make cuts and if we don't have to spend this money then why can't we make the decision to not spend it. Chairman Rice states whether we put the money in the Long Range Fund or the Long Range Planning Fund; it will earn the same amount of interest. Chairman Rice states that money cannot be spent without County Board approval. Williams replies the trend of the board has been if the money is there it is spent. Chairman Rice states we do not anticipate spending anymore money on NITT until we see a return.

Gouker says in the previous Long Range Planning budgets we have been told the money needs to be appropriated and it doesn't necessarily mean we need to spend it. Then when it comes to the time to discuss the project we are told the money has been appropriated and we spend it. Sometimes this has been approved at the committee level and not brought to the County Board. Gouker wants to ask about the contingency placed in the Long Range budget. Hopkins said there was a larger amount and they cut down the amount of money. McKinley interjects saying we are not clear on repairs needed at the jail, the ICE proposal coming before us and there might be a need for funds. That is why a contingency was suggested. Gouker says we have been told in the past the appropriated funds have been spent because they were budgeted; this was approved at committee level and not brought to the County Board. Saunders thought they had discussed in the committee the contingency was included for a possible land purchase for the ICE project. Saunders states no land money would be used until it was brought before the County Board. Gouker says maybe land wouldn't be purchased, we can say that tonight. However last year a computer system was purchased and wasn't brought before the board; we were told it didn't need to be approved by the board because the money was already budgeted. This is under the same pretext Williams was speaking about. McKinley says discussion from the HEW committee and continued onto the Finance and Executive committee, the new board needs to clarify procedures on how Long Range Fund monies are to be used. De Arvil notices two contingencies \$250,000 for the ICE project and \$200,000 at the bottom. The ICE project contingency is specifically for professional services.

Bowers asks if the LRP committee has been dissolved why money is appropriated for salaries and travel. McKinley says another committee may need to be formed to look at the strategic planning for the county; what are the building needs and what is long range facilities plan update. The Long Range Planning – Old Courthouse Renovation Committee was disbanded with this project being completed. It has been discussed by board members we need to focus on all of the building needs for the entire county. Colson says the ICE project will be a lease or lease to buy option; all of the reports he has seen we are not in the position to make that type of an investment. The ownership of land and ownership of the building will go together. There is some land directly adjacent to the Judicial Center which is on the market again and we need to be aware of that. Hopkins states they have discussed that option and the property is priced too high. McKinley says there was discussion if the ICE project was something the board chose to move forward on; renovations may be needed at the current jail to be used as a holding facility.

Heuer asks how the property in the City of Rochelle that the county owns relates to all of this. Chairman Rice states the property was purchased as a three year agreement with the City of Rochelle. If we do not do anything by 2012, we can sell the property back to the City of Rochelle for the same purchase price and we earn 4% interest on our money. McKinley says that is why it is wise to have another Long Range committee study this and see what needs to be done. McKinley asks if any members of the board would like to review a specific budget or answer any questions at this time. Bauer would like to have the Finance Committee look at the debt service schedule on the Bonds we have. He would like to see us use some of the capital

money to pay this debt off faster. Bauer states he thinks the balance is about \$12 million at this time.

Bauer says there is about \$8.5 million in the Long Range Capital Improvement Fund and would like to use a chunk of the money to pay down the debt. With the money from the landfill which we get an average of \$2 million per year, we could have the building paid off in three years. This will save the county a lot of money in interest. Treasurer Coffman says information regarding the debt service schedule is listed on pages 53 and 54 of the document. White agrees with the theory presented however, this something we could consider for the future. He is concerned if the State of Illinois defaults on payments we could be in a world of hurt and will need every dime to keep the county running. He would like to hold off on this until we see how the state handles their finances.

Diehl states about three meetings ago it was discussed the budgeted amount for the Coroner's Office was to be \$178,504.00 and now it is showing \$170,504.00; what will be the impact of the \$8,000.00 shortage. McKinley says they felt the salary of the person who is "on call" all of the time will be dropped to part-time status for the "on call" work he does. Diehl asks if this will affect him when he goes in at night to check on the morgue and what the impact will be. Sounds like the Coroner's Office has done a lot without asking for a new building and making sacrifices for the county. Coroner Finch has had conversations with Administrator McKinley regarding the definition and sacrifices the person "on call" has to make. They both see the definition of "on call" as different. Even though they are "on call" they have to be in the county and the phone is always with that person. McKinley asks if she understands it correctly that the "on call" time doesn't change but the "on call" pay changes. Finch says that is correct he will work the same amount of hours with less pay. Coroner says the philosophy of the Administrator is even though you are "on call" you are not working. McKinley says if the person is not called in he doesn't have to do anything. With all of the reductions made this is a reasonable place to bring more pressure, maybe not desirable but reasonable.

Colson is concerned about the use of the word discretionary funds in place of dedicated funds. The dedicated funds are protected by State Statute or previous County Board Resolutions. Colson says they are not discretionary – State Statute we have not means to change – County Board Resolutions we do have legal means to change, but we have not attempted do that we just raid the funds. The \$591,000 is money we have not made any effort to access in the proper manner. He feels this whole process is flawed and wrong. He could raise questions about things in all of the departments but he has a particular problem with the problems of roads and bridges to maintain critical infrastructure. If we had planned a year ahead of time to make a change like that we could have coped or adapted. Hopkins replies maybe we need to review the resolutions and minutes to see how it was intended to be used. Chairman Rice states we have resolutions and minutes that explains how the funds were to be used. We can send copies out to the board members.

White reminds the board of the resolution we passed last year to use Solid Waste funds for cash flow purposes. This was tied to the budget. It would be helpful if the \$591,000 had a resolution and tied to the budget as well. McKinley replies this is a resolution which the board has control over and it can be amended or changed. You can review page 1 of the General Fund Revenue to look at the revenue contributions:

- Line 3098 – Estimated Beginning Balance
- Line 3099 – Reserves - \$750,000 shows up here
- Line 3900 – Interfund transfer in – Fund 430 Shortage - \$106,205
- Line 3900 – Interfund transfer in – Fund 430 Utilities - \$400,000

One thing we need to confirm is the funding of \$55,000 for utilities at Focus House and \$30,000 for utilities at the Highway Department. Treasurer Coffman states if you look at page 25 you will see line item 3900 for the transfer in of \$30,000 for the Highway utilities. It looks like we will need to identify the appropriate recording of

the \$55,000 for Focus House. Gouker states for a point of clarification on the Solid Waste Resolution dated 1999; there isn't a need to change the resolution. The verbiage says we can borrow the entire fund at anytime, but we have to pay back up to the original \$2 million without interest. Just because we have the ability to use it; doesn't mean we should. Bauer asks if it is possible to pull out the \$625,000 from the LRP budget for the ICE project, NITT and contingency since the board has to approve before spending any money. We could eliminate borrowing and as the projects come up bring it back to the board to approve. Can we do that if it is not budgeted ahead of time? Hopkins states we cannot borrow money from LRP Fund we can only borrow from the Solid Waste Fund. Treasurer Coffman clarifies if we pull the expenditure line items out of the budget now and come back later to spend it, you would need to amend the budget. That is why contingencies have been discussed. Chairman Rice states the Long Range Planning Budget was put together as a tool to keep board members informed of future projects and estimated costs.

Barnes refers back to page 1 regarding the Interfund Transfer-IN County Officers, what is this and where does the money come from? Coffman states these are fees generated by various county offices like the County Clerk & Recorder, Treasurer and Sheriff. Barnes asks if this is what they are referring to as discretionary funds. Coffman says no, if you look at your budget performance reports every month the County Officers information is included. This amount is projected income.

Williams asks if there is a relationship between the \$650,000 of department reductions and the \$400,000 for utilities. McKinley states no. We are trying to reduce everyone's expenses from the high point of \$13.4 million. We made a \$1 million revenue reduction last year and we are making another \$1 million of expense reductions this year. We are trying to close the gap from the high expenses of 2009.

White asks Heuer if there was any discussion in Springfield regarding the State's Attorney reimbursement from the State. Heuer states it was discussed at the seminar and the State's Attorneys have threatened to sue the State of Illinois if they do not see their reimbursements. McKinley says this would be an additional \$92,000 in revenue, as it is not included in the budget at this time. Diehl asks to see clarification regarding the Interfund Transfers on the budget performance report. McKinley states there would be additional line items added to make it clear.

Gouker would like to know some of the assumptions made to project the revenues. Coffman says Property Tax numbers come from the Supervisor of Assessments Office, County Officers is projected by past history and Sales Tax projections are based on current results and past history. Chairman Rice states the Super Walmart in Rochelle has broke ground and hopefully we can pick-up some sales tax from other areas.

County Clerk Huntley asks McKinley to announce the error in the County Clerk and Recorder budget. McKinley states there is a \$4,000 error reported and she will make this correction. There are some switches on the network which will need to be replaced and they are working with Fehr-Graham regarding recommendations. This could be another area which will need to be changed based on the recommendations.

Gouker asks about the jail boarding number, it has dropped significantly. Coffman states he has worked with the Sheriff on this number and they are comfortable with using those figures. Sheriff Beitel states this is a number that is difficult to predict because you do not know what Federal crime activity there will be and they are being conservative. The numbers are down this year due to activity and they have concerns about the condition of the jail. The US Marshall's have scaled back the number of prisoners due to that.

Williams would like to know where on the document it shows whether the budget is balanced or not. McKinley says in terms of looking at the General Fund you look at the numbers located on page 3 of General Fund Revenue and page 19 for General Fund Expenditures. There was discussion regarding the reporting of the \$400,000 for

utilities from the Solid Waste Fund and where this number will be shown on the budget document.

Chairman Rice says if anyone has any questions to please contact any Finance Committee member, himself, Hopkins or McKinley.

**Motion to Adjourn**

At 6:55 p.m., White makes the motion to adjourn the Ogle County Board meeting until Tuesday, November 16, 2010. Huntley seconds and the motion carries on a voice vote.

W. Ed Rice  
Chairman - Ogle County Board

Attest: Rebecca Huntley, Ogle County Clerk &  
Ex-officio Clerk of the Ogle County Board