Ogle County Finance & Insurance Committee Meeting
Wednesday August 11, 2010

Tentative Minutes

1. Call to Order by Chairman Hopkins at 2:35
   - Members present: Hopkins, White, Diehl, Rice, Saunders
   - Members absent: Gronewold, Kenney
   - Others present: Barnes, Heuer, DeArvil, Boes, Frinfrock, Welty, Smith, McKinley, Finch, Rypkema, Martin, O'Brien, Harn, Typer, Roe, Kilker, Conn, Query

2. Approval of Minutes: July 14 , 2010
   - Motion by White
   - 2nd by Diehl
   - Motion carried

3. Approval of Bills -
   - Treasurer-
     - Motion to approve bills in the amount of $ 2,477.22 by Saunders
     - 2nd by Rice
     - Motion carried
   - Finance & Administrator
     - Motion to approve bills in the amount of $8,139.83 by Rice
     - 2nd by Deihl
     - Motion carried

4. Public Comment - Lou Finch reported cremation permits are now $50 instead of $10 in the State of Illinois.

5. Insurance Report –
   - Property/Liability – Shining Star Child Advocacy asked if they could join our health insurance plan. Rice reported this has been extended to those we manage levies for. This organization gets fine money, but not a levy. Roe and Beitel are on this board and noted the organization will be asking other counties also. The committee would like John Coffman to investigate this option and report back.
   - Health Insurance – mental health limits are scheduled to have to match our regular health plan limits in January with the renewal. We thought we could opt out of this option but Group Administrators tells us this is not the case. They will continue to research and report to us, but it appears we will be required to increase the mental health limits. The other option would be to drop mental health coverage, which is not something the county considering at this time. This is due to new federal regulations.

6. Finance Report – White asked if we should identify loans separately from other funds so they aren't added into budget revenue on the monthly financial report, which can be misleading regarding how revenues are actually doing. McKinley said we'd have to talk with John Coffman since this report is designed to reflect the cash flow, showing the $750,000 transfer as revenue in, although it's just movement from other funds. Discussion followed. Sales tax and income tax seem to be our biggest problems, per White. McKinley confirmed a large portion of the outstanding state revenues have come in. White asked the committee what they want to do in the 2010 budget year if revenues come significantly lower than expected. McKinley said Coffman did not indicate concern of anything being dramatically worse than the last meeting. McKinley noted with only 3 months left in the budget year, we are tracking about where we projected we'd be. The committee discussed the $750,000 transfer, and McKinley and Rypkema indicated they do not believe any funds have been borrowed from the solid waste fund as of yet. The $750,000 appears to be from reserves as planned. White would like to spend the first 30 minutes of the department budget meetings to discuss this issue. Rice reported that UCCI reported the State of Illinois is not as far in debt as you'd think if you don't include pension funds. The pensions drive the deficit. The concern for UCCI is how the state can possibly resolve this. They believe the State will start identifying ways to take pockets of money. Other reports indicate there will be movement towards bankruptcy for states, such as Illinois. McKinley distributed Coffman's revenue projections and narrative. Discussion of the items followed.

7. Administrator Report –
   - Long Range Planning Fund Reports- McKinley recapped the long range reports highlighting the courthouse project is still expected to be under budget. We asked Holabird & Root for a credit of $20,000 for all the change orders due to their omissions, and they agreed to settle for a credit of $17,000. Holabird & Root overall expenses are less than projected because of the many savings on the construction project along the way, which drives their payment down since it is based on a percentage of the cost of construction. Ringland Johnson negotiated the price of each change order item in question along the way, decreasing many fees or setting time and material caps. The dedication ceremony is August 20, 2010 starting at 10:00 and everyone is invited.

8. Possible Closed Sessions –
   - Collective Negotiating Matters (5 ILCS 120/2 (c) (2)) & States Attorney Employment/Appointment Matters (5 ILCS 120/2 (c)/(1))
     - Rice moved to go into closed session for both negotiating matters and States Attorney issues
     - 2nd by White
     - Role call vote – Hopkins yes, White yes, Diehl yes, Rice yes, Saunders yes.
     - Motion carried
   - Back in Open Session:

- Rice moved to allow Roe to use unspent funds in FY 2010 salaries to restructure the pay scale for the top two assistants in the office for FY2011 with annual budget review.
- 2nd by Diehl
- Motion carried

9. New Business –
   - FY 2011 Budgets- budget reviews with each department head are set for the week of August 23 scheduled from 9-12, break for lunch, and 1-3. McKinley will email the schedule this week. The Sheriff's departments are scheduled to go first on Monday, August 23. Others TBD based on department head availability. Saunders noted she can only attend in the afternoons.
   - Wind Energy Revenue- Hopkins noted current estimates of revenue to be $1800 per tower per year for the county in land tax value.
   - Voluntary Retirement Plan Funding- McKinley reported there will be individual employee meetings held August 12 with IMRF and deferred comp reps to help employees decide on their retirement options. Of the 30+ eligible employees, about 10-15 have expressed interest. Saunders later asked to return to this agenda item to ensure we review where the funding is to take place for the retirement plan. McKinley said she, John Coffman, and Lyle Hopkins met to discuss this and recommend that funding take place out of the existing budget of where it is funded now. Health care contributions could be funded from the claims account.
     - Saunders moved to fund the voluntary retirement pay outs from the corresponding department budgets
     - 2nd by Rice
     - Motion carried
   - Focus House Utility Costs- Martin is requesting $55,000 for phones, LP gas for the farm, electricity for the buildings, gas and water in town. He presented his request to Buildings & Grounds, and indicated even some amount of cost sharing of these items would be helpful as revenues previously used to help augment these county costs have decreased. Martin said he would appreciate anything the county could do to help this area. He said he is also asking for help on the Rochelle building rent, which the county used to covered at 100%, but then changed. This would be another $3,200 per year. White asked for this to start at buildings and grounds. Saunders indicated the Finance Committee would need to make this directive and that she knows the out of county occupancy has decreased, making less funds available to Martin's operation.
   - IMRF Out Of State Service Credit Purchase – Greg Beitel is looking for Board support to purchase 2 years of out-of-state IMRF service credit out of his own pocket.
     - White moved to approve Greg Beitel's out-of-state purchase of 2 years service
     - 2nd by Saunders
     - Motion carried

- Spoors Property Purchase Proposal- Rice reviewed the Spoors notice of intent to sell their Oregon property due north of the Judicial Center. The committee discussed this possibility.
  - Saunders moved to thank the Spoors for their time on this matter and let them know that based on economic conditions, we cannot consider the offer at this time
  - 2nd by White
  - Motion carried

10. Old Business –
    - County Health Plans – Rice indicated we have until first of the year to decide on a carve out option – which is requiring spouses to take their own employers' health plans if available. This would be effective January 1 if changed. Rice would like this on next month's Finance agenda.

11. Next Meeting – Department budget review meetings will be held August 23, with the first 30 minutes dedicated to current budget strategies based on FY 2010 revenues. These will be held in Room #100 of the renovated courthouse.

12. Adjournment- by Hopkins at 4:40

Respectfully submitted,
Meggon McKinley, Ogle County Administrator

Long Range Expenses

	2010 Annual Budget	YTD Through 7/31/10	% Spent	Multi-Year Project Budget	LTD Expense	LTD % Spent
Courthouse Budget	6,689,557.00	4,749,486.35	71.0%	$ 7,500,000.00	$ 7,131,998.61	95.1%
Salaries- Committee Meetings & Mileage	7,000.00	3,150.00	45.0%			
Travel	1,000.00	82.15	8.2%			
Total Meeting Expense	*8,000.00*	*3,232.15*	*40.4%*			
CAD/ Records Management System	119,234.00	111,858.00	93.8%	625,000.00	603,624.00	96.6%
Oregon Police Dept CIS Access	22,500.00	22,599.00	100.4%			
NITT Commission	175,000.00		0.0%			
County Network Upgrade	75,000.00	24,558.23	32.7%			
Global Enterprise Technology						
Dynamic Horizons						
Dixon Ottawa						
Total - Network Upgrade	*75,000.00*	*24,558.23*	*32.7%*			
Jail - Code Improvements	250,000.00		0.0%			
Stillman Bank- Bond Servicing		250.00				
Transfer to Bond Fund	1,151,200.00		0.0%			
YTD Total Ependitures	**8,490,491.00**	**4,911,983.73**	**57.9%**			

		yellow items = monies owed and/or paid to RJC			
Row #	**Ogle County Courthouse Renovation (Approved Max Budget $7.5 mm)**	**Estimated Project Budget**	**Approved Multi-Year Project Budget**	**LTD Expenses**	**LTD % Spent**
(A)	***Architect Fees - Holabird & Root***				
A1	Professional Services (8.5% of const cost+furniture+stencil rest)	502,774.00	526,731.66		
A2	- Schematic design (15%)		79,009.75	74,500.38	94.3%
A3	- Design Development (20%)		105,346.33	99,333.84	94.3%
A4	- Construction Documents (40%)		210,692.66	198,667.68	94.3%
A5	- Bidding (5%)		26,336.58	24,833.46	94.3%
A6	- Construction Administration (20%)		105,346.33	97,211.02	92.3%
A7	Programming (14970.1A)	40,000.00	40,000.00	39,140.75	97.9%
A8	Clerk Office (14970.1B)		3,810.00	3,810.00	100.0%
A9	Reimburseable Consultant (Historic Surfaces)	5,000.00	5,000.00	5,000.00	100.0%
A10	Memorial Hall Floor Plan Redesign	8,000.00	8,000.00	0.00	0.0%
A11	Expenses (25000 limit set 9/09)	50,000.00	25,000.00	21,829.89	87.3%
A12	Additional Time Delay Fee (approved 9/09)		14,891.82	0.00	0.0%
A13	***Sub Total - Holabird & Root***	***605,774.00***	***623,433.48***	***564,327.02***	***90.5%***
(B)	***Construction Fees- Ringland Johnson***				
B1	Base Bid	5,187,000.00	5,187,000.00		
B2	Performance Bond	34,442.00	34,442.00		
B3	Builders Risk Insurance	7,500.00	7,500.00		
B4	- Payment #1			127,842.00	
B5	- Payment #2			390,454.00	
B6	- Payment #3			292,148.00	
B7	- Payment #4			693,144.00	
B8	- Payment #5 (less $14,022.41 plumbing lien)			560,808.59	
B9	- Payment #6 (less $30,263.05 plumbing lien)			568,596.95	
B10	- Payment #7 (less $113,568 plumbing lien)			779,151.41	
B11	- Payment #8			570,755.00	
B12	- Payment #9 rvsd			504,037.00	
B13	- Payment #10			188,222.00	
B14	- Circuit Clerk Payment for Complaints for Accounting (Liens)			51,113.46	
B15	- Payment #11 (less $6,828 lien)			154,902.00	
B16	- Payment #12 - Release of Big Joe Plumber Lien to RJC			113,568.00	
B17	- Payment #13			734,701.00	
B18	Alternate #1 (re-do parking lot, landscaping)	142,000.00	0.00		
B19	Alternate #2 (replace east curved sidewalk)	12,625.00	12,625.00		
B20	Alternate #3 (ramp, canopy, snow melt)	91,400.00	91,400.00		
B21	Alternate #4 (deleted before bids)	0.00	0.00		
B22	Alternate #5 (emergency power generator)	31,000.00	19,908.00		
B23	Construction Contingency	406,818.00	406,818.00		
	Change Orders - September 2009				
B24	- RJC #2-Use 5/8" concr brd under tile in restrooms		4,531.00		
B25	- RJC #3-Install 1/4" APA underlay under flooring		5,596.00		
B26	- RJC #4 eliminate door 019A		$ (756.00)		
B27	- RJC #5a-long span lintels south side of bldg flrs 1 & 2		7,683.00		
B28	- RJC #5b-Eliminate lintels		($2,162)		
B29	- RJC #5d-Revise bearing condtn 2nd floor file storage		($437)		
B30	- RJC #5g-Fill in boiler pit, raise concrete slab (was $8544)		4,500.00		
B31	- RJC #5h-New slabs in basement		2,222.00		
B32	- RJC #5j-Remove fl 2 clay tile partition, drywall (was $6683)		5,584.00		
B33	- RJC #5C - accoustic ceiling in stairway (from # 5j $6,683 credit offset)		950.00		
B34	- RJC #6-radius lintel over 5th street entrance		5,056.00		
B35	- RJC #7-Window changes deduct std colors vs custom		($17,320)		
B36	- RJC #8a-Basemt demo, framing, drywall (T&M) (rvsd 6/1)		39,134.00		
B37	- RJC #8d-2nd floor demo & drywall repair SE corner		9,492.00		
B38	- RJC #8e-Exterior wall demo,repair 308, 309A and B		4,974.00		
B39	- RJC #8f-Demo,plaster repair for wall grills 321 and 317 (was $1134)		595.00		
B40	- RJC #8g-Demo in attic not shown on drawings		6,304.00		
B41	- RJC #10-Patch, plaster repair from unforseen (T&M) (rvsd 6/1)		46,073.00		
	Change Orders - October 2009				
B42	- RJC#1B-std water fntain chrome with water cooler		($4,500)		
B43	- RJC#3-Elevate basemnt wind, add 6" stone sill, frame		17,672.00		
B44	- RJC#4-Patch hard wood flooring under drinking fountains		2,350.00		
	Change Orders - November 2009				
B45	- RJC #17-cupola lighting up to code		4,299.00		
B46	-RJC#18- Leveling of 2nd floor restrooms T&M not to exceed $6834		5,719.00		
B47	- RJC#19 - Structural steel reinforce for air handler; T&M		17,936.00		
	Change Orders - December 2009				
B48	- RJC #21-revsed electric & wire mold casing		5,700.00		
B49	- RJC #22 omit accoustic ceilings from rooms 13 and 14 basement (was $0)		$ (390.00)		
B50	- RJC#25-narrow door to original opening		972.00		
B51	- RJC 28 revise lights at east and west entry (was $0)		$ (889.00)		
B52	- RJC 30 remove grease trap (was $0)		$ (699.00)		
B53	- RJC #33 - relocate attic dry sprinkler valve		3,286.00		
	Change Orders - January 2010				
B54	- RJC #44 Soil and concrete testing for handicap ramp		800.00		
B55	- RJC #23 rvsd Fire sprinkler alarm bell/dry system air compressor		2,958.00		
B56	- RJC # 42 New electrical feeds 2nd floor display board veterans (rvs 6/1)		1,133.00		

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(B)	***Construction Fees- Ringland Johnson - Continued***				
B57	- RJC #51 Relocate toilets 18" from the wall, state code		1,569.00		
B58	- RJC #37 Elevator upgrades required by state code		26,834.00		
	Change Orders February 2010				
B59	- RJC #32 - Site drain trap(duplicate entry)		-		
B60	- RJC #36 rvsd-Storm Sewer (duplicate entry)		-		
B61	- RJC #49 - Refinish grills plugged with debris east side of building		1,321.00		
B62	- RJC 55- Install window extensions, jambs, sills T&M not to exceed		38,794.00		
B63	- RJC #57 - Nicor gas regulator		2,388.00		
	Change Orders March 2010				
B64	- RJC #36R1 Storm Sewer		42,319.00		
B65	- RJC #65 Bypass valve HVAC		5,698.00		
B66	-RJC #63 missing wood base and corners all floors		7,372.00		
	Change Orders April 2010				
B67	- RJC #56R1 Delay Fee max not to exceed		16,300.00		
B68	- RJC #60 attic insulation		8,073.00		
B69	- RJC #66 sprinkler head painting		968.00		
B70	- RJC #67 sprinkler under air handler unit		803.00		
B71	- RJC #68 secure employee staircase		2,319.00		
B72	- RJC #61 roof repair not to exceed 13877		10,146.00		
	Change Orders May 2010				
B73	- RJC #32 R1 Condensate Lines		1,646.00		
B74	- RJC #69 Light Fixtures		1,074.00		
B75	- RJC #75 credit for no blinds in Board Room 319		$ (2,090.00)		
B76	- RJC #72 Exit Lights		576.00		
B76a	- RJC #73 exit light at 317		693.00		
B77	- RJC #76 - Security Cameras - swap with Jail Budget		2,790.00		
	Change Orders June 2010				
B78	- RJC #77 Sink hole repair		7,411.00		
B79	- RJC #82 - treasurer's public counter - wood flooring		2,994.00		
B80	- RJC #87- Animal Control outlets		1,629.00		
B81	- RJC #79 - flag pole electricity up to code + cement base 4321		3,721.00		
B82	- RJC #48 building access key system final		2,251.00		
B83	- RJC #64 option 1 - repair crumbling sandstone		12,317.00		
B84	- RJC #78 - glycol fill for heating/cooling system		9,426.00		
B85	- RJC #89- storm sewer jail connection		2,438.00		
B86	- RJC #91 - asphalt curbing		1,202.00		
B87	- RJC #90 - bollards to protect generator and gas main		2,847.00		
B88	- RJC 92 - treasurer's alarm on vault		1,814.00		
B89	- RJC # 81 R1 - knee wall installation= T&M not to exceed		922.00		
	Change Orders July 2010				
B90	- RJC #95 - blinds in offices Treasurer & Assessor		2,509.00		
B91	- RJC #98 - add lights for recpt, outlet in 115, data port in basmnt		3,708.00		
B92	- RJC #100 plastering basement Clerk's area		4,762.00		
B93	*Sub total - Change Orders Approved Against Contingency*	*406,818.00*	*407,910.00*		100.3%
B86	***Sub total - Ringland Johnson***	***6,319,603.00***	***5,759,693.00***	***$ 5,729,443.41***	**90.7%**

Row #	Ogle County Courthouse Renovation (Approved Max Budget $7.5 mm)	Estimated Project Budget	Approved Multi-Year Project Budget	LTD Expenses	LTD % Spent
(C)	***Budgeted Allowance - Services***				
C1	Com Ed Utility Charge - Com Ed		17,000.00	12,190.78	71.7%
C2	Moveable Furniture ($229,991.81 final budget 2/2010 + costs below:)		337,200.00	235,040.81	69.7%
C3	- mail box unit $2,285				
C4	- refinishing knee wall, chairs, pews $2,860				
C4a	- refinishing / bending clerk counter $2148				
C4b	- additional clerk counter tops $3070				
C5	Aries Consulting		5,000.00	4,875.00	97.5%
C6	Site Survey - Willet Hoffman - Boundry & Topo Survey		5,000.00	5,000.00	100.0%
C7	Tree Removal -Grover's Nursery		2,000.00	1,790.00	89.5%
C8	Geothermal Test - Verzieg Consulting		15,000.00	15,000.00	100.0%
C9	Hazard Materials Assess & Abate - AR Remediation		30,000.00	57,512.00	191.7%
C10	Hazard Materials Assess & Abate - Holian Asbestos		5,000.00	9,895.00	197.9%
C11	A/V Equipment (63,601 final budget+ $24,204 to be paid from County Clerk fund)		10,000.00	0.00	0.0%
C12	Security Equipment		10,000.00		
C13	- ADT Security Watt Building			2,312.26	23.1%
C14	Telephone/Data Systems		25,000.00		
C15	- Verizon Phones Watt Building			19,879.38	
C16	- Cabling clean up & re-routing			9,389.54	117.1%
C17	Departmental Signage		5,000.00	310.40	6.2%
C18	Moving Costs		25,000.00		0.0%
C19	- Universal Relocation			21,979.00	87.9%
C20	- Assessor Card File Boxes			490.36	
C21	Temporary Rent - Old Limestone (overages from rent extended to 6/2010)		75,000.00	92,000.00	122.7%
C22	Watts Building Improvements		70,000.00		
C23	- Clerk's Shelving = Watt Building			6,444.26	
C24	- Fischer's - Assessor's Desk			269.99	
C25	- Mileage - Merchandise Mart			159.70	
C26	- Federal Express			75.18	
C27	- Area Tree Service - Watt Building			1,250.00	
C28	- Keys - Watt Building			156.04	
C29	- Dynamic Horizons -Watt Network Redundancy			14,015.12	
C30	- Global Enterprise Technology- Watt Network Redundancy			64,999.64	
C31	- Dynamic Horizons Watt Network Redundancy Fix			1,459.50	
C32	- Dynamic Horizons Watt Network Redund Fix Labor			1,000.00	
C33	- Global Enterprise Technology - Watt Network Redund Fix			195.00	
C34	- Dixon Ottawa Communications - T1 Wiring Watt Redund Fix			1,911.20	
C35	- T1 Fix - Device Shipping			132.28	
C36	- T1 Auto Redundancy Switches			949.50	
C37	- Dynamic Horizons Redundancy Failover Testing			162.50	
C38	- Wes's Tree Service- Watt			500.00	
C39	*Subtotal Watt Building Improvements*			*93,679.91*	133.8%
C40	Technology Needs		17,607.73		
C41	- Security Camera Server			7,222.02	
C42	- Battery Back up Camera Server			1,085.00	
C43	- Network patch cables			1,443.75	
C44	- historic conf room presentation monitor			1,399.97	
C45	Courthouse landscaping equipment			657.68	
C46	Dynamic Horizons moving County Clerk PCs & internet svc			2,365.35	
C47	New AED Machines for Courthouse			3,312.96	
C48	***Total Budgeted Allowances - Services***		***653,807.73***	***598,831.17***	***91.6%***
(D)	***Owner's Services Contingency***		75,000.00		
D1	- Owner demo prior to abatement work - Marv Miller			21,250.00	
D2	- Courthouse Demo - Disposal Service for internal demo			1,375.32	
D3	- Lead abatement #2 - Luse			16,000.00	
D4	- Drilling holes in concrete walls to rewire phone lines			750.00	
D5	- MDES Engineering Study to reconfigure storm sewer			3,500.00	
D6	- Beesing Welding -welding cannon caps			190.00	
D7	- Donaldson Cement - dumpster pad outside RJC contract/sidewalk		14,500.00	14,500.00	100.0%
D8	- Donaldson Cement - Replace sidewalk		2,975.00		
D9	- Elevator inspection #1			100.00	
D10	- New Water Meter for increased capacity			1,867.10	
D11	***Total Owner's Services Contingency***		***75,000.00***	***59,532.42***	***79.4%***
(E)	***Historic Renovation Project Allowances (RJC payments accounted for in (B))***				
E1	Boardroom Stenciling Restoration (& conference room -Tony K.)		145,000.00	110,705.00	76.35%
E2	Historic artifacts budget		1,500.00	1,130.95	
E3	Boardroom Plaster Restoration ($35,000 spent - in RJC payments)		35,000.00		100.00%
E4	Boardroom Stencil Mock Up (Tony K.)		14,000.00	14,000.00	100.00%
E5	Memorial Hall Mural Restoration Testing (Tony K.)		3,000.00	2,950.00	98.33%
E6	Memorial Hall Mural & Wall Restoration ($1079 to Tony; $3,328 + 8,572 in RJC paymnts		21,000.00	1,079.50	100.00%
E7	Memorial Hall Construction Cost ($12,000 spent- in RJC payments)		12,000.00		100.00%
E8	***Total Historic Project Allowances***		***231,500.00***	***129,865.45***	
(F)	***Unbudgeted***				
F1	- EVS Construction Lawsuit Settlement		50,000.00	50,000.00	
F2	***Total Unbudgeted***		***50,000.00***	***50,000.00***	***100.0%***

Row #	Ogle County Courthouse Renovation (Approved Max Budget $7.5 mm)	Estimated Project Budget	Approved Multi-Year Project Budget	LTD Expenses	LTD % Spent
(G)	**Courthouse Renovation Budget Summary**				
G1	Architect Fees - Holabird & Root		623,433.48	564,327.02	90.5%
G2	Construction Fees- Ringland Johnson		5,759,693.00	5,729,443.41	99.5%
G3	Budgeted Allowance - Services ($95,308 paid to RJC from this budget)		653,807.73	598,831.17	91.6%
G4	Owner's Services Contingency		75,000.00	59,532.42	79.4%
G5	Historic Renovation Project Allowances ($58,900 paid to RJC from this budget)		231,500.00	129,865.45	56.1%
G6	Unbudgeted		50,000.00	50,000.00	100.0%
G7	***Total Courthouse Budget & Expense***	***7,500,000.00***	***7,393,434.21***	***7,131,999.47***	***96.5%***

Ogle County Finance & Insurance Committee
****Special Meeting****
Monday August 23, 2010 9:00

Tentative Minutes

1. Call to Order by Chairman Hopkins at 9:05
    - Members present: Hopkins, White, Kenney, Gronewold
    - Members absent: Rice, Diehl, Saunders
    - Others present: Kilker, Barnes, Gouker, Nye, McKinley. Coffman, Beitel, and Harn joined at 9:30. Rice, Roe, O'Brien, Frinfrock, Typer joined at 1:00. Dale, Martin, Nye, other staff joined at 2:00.

2. FY 2010 & FY 2011 Ogle County Budget Review & Planning – Hopkins began the meeting by stating the FY2010 budget adopted included agreement to pull $1,000,000 of revenue short fall from reserves and stated the further expense reductions are planned for the FY 2011 budgets, which is why we are having this week of meetings. Hopkins then asked Gouker for his input since he requested this at the last board meeting. Gouker said his comments are not to be critical of Hopkins and the Finance committee, rather the board Chairman since it's an entire board issue and not a Finance Committee issue. Gouker indicated his calculations show that total revenues this year are comparable to 2005 and 2006 and that our expenses are 26% higher than those times. He stated that 2005-2007 budgets show we accumulated an $800,000 surplus, and this year, he sees a deficit of $927,000. He stated this is a worrisome trend and that the Federal Reserve stated there will be no net new jobs this year after losing 20% of jobs already. He stated real unemployment is about 25% and if 30% of our revenue comes from sales tax and income tax, where will the revenues come from? Gouker indicated in looking at last year's budget, $11,530,000 in revenues is shown but the approved expenditure is $12,534,850. Gouker expressed concern that the reporting doesn't show the true amount we're short. Discussion about the impact of that reporting was discussed. Gouker would like to see the reserve expectation tracked on both the revenue and expense side. McKinley said she believes we can create reports for the board that are more helpful to how they'd like to see data, but the strategic issue remains that we will be $1,250,000 short and we have to decide what to do about that. Kilker said this discussion explains why it is difficult as a non-Finance Committee member to understand the numbers when just looking at the reports. Hopkins reminded the committee the current reports reflect our cash positions, and they are not balance sheet reports. Gouker suggested reviewing the minutes of the vote for each budget and seeing that the revenue voted on is not on the monthly spreadsheet they get to reconcile the budget. He also noted our model for projecting revenue is not working and he'd like to see a new model. McKinley noted she doesn't see full economic recovery for a very long time, which at best means revenues will be flat. She reported

voluntary retirement may not bring as much savings as hoped. We know of at least $25,000 net savings from two planned retirements, and we are hoping for more, which we'll know Sept 13. Some departments indicated they have retirements coming in July of FY2011, and they may wait until then to retire. Diehl asked about 4 day work weeks, which McKinley said has to be negotiated with the unions to reduce their hours. White reminded the committee that Probation employees are state employees. McKinley suggested copying the model of the Treasurer with 1 FTE and multiple part timers for the appointed offices and some elected offices so we aren't constantly staffed for peak. The committee then moved into department budget reviews. A summary of key discussion points follows.

- Sherriff's 5 Budgets – Sheriff Beitel noted that last year's salary line couldn't be copied exactly because they had to move salary items around to adjust for new staffing levels after the layoffs. The Sheriff's current budget proposal has a net effect of $0 pay increases with an overall total reduction across the 5 budgets of $69,903 total. Pay freezes have to be negotiated with the unions. The Sheriff noted having 2 less employees through attrition, 1 less telecommunicator, 1 less maintenance because of Jim McBride, although they will ask the Finance Committee to allow replacing him at entry level. Maintenance is working with Highway to see what help they can provide. Additional budget items were reviewed. The Sheriff noted in EMA they intend to replace the anticipated open position with a lower salaried person, although having the nuclear plant and plan requirements dictates a position to be filled with critical skills and a lot less than currently in place. Ruth Shipman is retiring, and the jail commander is considering it. Gronewold noted he'd like to see union language moving away from percentage increases because our focus is to keep people working and provide services to the tax payer and encouraged the committee to take a tough union stance. White said everyone has to sacrifice, and would have liked to see more reductions through the department heads. It would have set a better tone than where we're sitting now. Sheriff said they are squeezed as tight as possible without more layoffs. Other items discussed include the following:
    i. Disposal services currently out to bid hoping to save a few thousand dollars
    ii. Mike Mudge is currently evaluating electricity providers and best deals – expect 10% increases on Com Ed per recent announcements
    iii. Harn's stance on needing to replace Shipman and McBride. The Sheriff provided an update on the efforts to streamline payroll and Shipman's job through New World automation. McKinley suggested replacing Shipman and holding McBride's position open, and Harn said he'll do whatever he can to replace Shipman, including plowing snow himself if he has to.
    iv. Phone savings of $8,000 for hard lines from consolidating fax lines.

v. Snow removal plans show replacing the oldest plow for more efficient plowing.
vi. Computer maintenance is 24 x 7 for all critical systems
vii. Probation request for utilities – Sheriff indicated this would be impossible to absorb and this is a cost shift, not cost savings. Probation office in Rochelle helps hold the clients accountable because it's close to where they live. McKinley asked what would happen if we provided LOTS transportation if there were no Rochelle office.
viii. Weld Park Improvements – will be made by Highway and not funded through General Fund since it's a county road.
ix. Harn is confident in reducing over time reductions by leveraging administrative people further.
x. Comp time pay outs for retirements for Shipman and McBride in FY2010 will be paid from Sheriff's budget this year.
xi. Civil process recommendation from Harn for full time position, 35 hours per week, to save money and time instead of all deputies running around serving papers. Harn is confident the savings and revenue generation will more than cover his salary.
xii. Per Harn, cars will not be replaced for a while and unnecessary driving will be cut out also. He asked McKinley to follow up with LCV on the study needed to be done to approve fee increases for civil processing. Coffman noted this would be a budget item for Finance contingency.
xiii. Ammunition cuts are necessary and possible this year per Harn.
xiv. Detective uniform allowance should be taxable, per Coffman.
xv. OEMA budget down $8,000 since car payments are done and we hope for a bit lower salary replacement for McDermott.
xvi. Emergency Communication shows the 911 coordinator pay 100% funded by 911 board, 1 less supervisor, 1 less telecommunicator.
xvii. 911 board contributed $75,000 to general fund in 2009 to help cover equipment. Sheriff is unaware of 911 board plans to do it again in 2010 or 2011, and McKinley said she had not made any such request last year or this year. Coffman noted this would bring the revenue projections down another $75,000. McKinley noted she would like Sandy Beitel to come to the County Board to bring them up to date on all 911 issues happening with Next Generation technology and law changes.
xviii. Correction salaries reflect the change in personnel between departments after layoffs. This number assumes staffing stays as is today.
xix. Corrections medical expenses must be increased because of the increasing care demands.
xx. Per diem fees for jail boarding is based on what it costs daily to run the facility, including some time for County Clerk and Treasurer and other administrator support. We change the per diem about 1

out of 3 years. It's time to do another study. We've been grandfathered out of current jail standards since 1973 and Beitel is concerned with the 5 years left on the Federal Marshall agreement that they will look at other, new facilities than ours.

xxi. No additional mileage or fuel costs planed for transporting the youth that aren't transported by Mary Davis facility any more.

xxii. Sheriff revenues – based on collections of first 7 months, projecting estimated FY 2011 revenue of $1,232,748. This includes boarding, reimbursing for transports, civil processing, sheriff sales, tower rents, work release, fee to take bond, rebates for food service in jail. Property sales hoped for are the gator, boat, Sheriff vehicle, K9 vehicle, other cars. Ebay will be a good tool to use since paper advertising is so expensive. Barnes suggested checking with Oregon City Hall for advertising in a paper they use.

- Sheriff's retirement update – Beitel reported IMRF said there would be a .00007 rate increase in 2012 over 30 years for him buying 2 years out of state service credit. Coffman confirmed IMRF recalculates our rates annually for all changes being made for retirements each year, and the board has not calculated the rate changes based on individual purchases, such as the military purchases in years past.
- Union negotiation status - Harn reported the employees haven't responded to the union about taking $0 increases, and stated any further cuts to his budget would be to people. Harn said he welcomes suggestions. Beitel said the COPS grant for 3 years and $140,000 is still pending, and we won't know until September 30. This is to keep deputies from being laid off. Personnel costs in Kane County are 90% of that Sheriff's budget. Sheriff and other stipends continue to be cut.
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3. Recess for Lunch at 11:50 - Reconvened at 1:00 by Hopkins.
    - States Attorney – Roe distributed a summary of his past expenditures, noting his current request is staying at $0 from last year. West Law library is a set price, and he only updates the Criminal books that he takes to court and gets the remainder through the internet. Roe explained each line item. Gronewold asked about the salary jump between 2006 and 07, and Roe confirmed that was to bring equity to the assistant states attorneys by covering the increase from other line items. Roe reported salaries tend to be very low compared to other counties, as discussed at last Finance and Personnel Committee meetings in closed session when reviewing specific salary needs of his office. Roe indicated he has budgeted the best he can without knowing exactly what is coming. For instance, high profile cases are expensive because they require expert witnesses to come in. Roe confirmed he won't hire anyone until Dec 1 and will hold the part time item to fund the increase in salary, per the recent Personnel and Finance committee meetings. Roe indicated the key is to bring stability to the office, which he can do with the committee's agreement to add $20,000 to

FY2011 salary line item from the $20,000 FY 2010 savings he anticipates. Most of Roe's staff is between 1-6 years out of law school, and now they need someone with more experience handling cases at high level. Roe will have to spend more time in court the next few months, and hopes to avoid outside counsel because it's very costly. We have 3 part time public defenders with many years experience and Roe wants to see the playing field equaled a bit on the States Attorney side to avoid appeals. Roe reported bringing raises to the top two positions will provide incentive to stay, be more competitive, allow him to maintain what we have, train for higher level experience, and bring stability. Roe discussed the reasons it is hard to get people to move to Ogle County, including people can't sell their homes to come and they aren't willing to commute, and they compare salaries to other States Attorney offices. Rice said the civil support from Roe's office has been excellent, through Scott Robinson. Liens, nuclear agreements, landfills, etc. in Ogle County brings more litigation than most. Highlights of the budget discussion include:

i. Regarding revenues, the drug forfeiture fund can be used for drug law prosecution and training, sometimes with Sheriff's Department.
ii. Roe believes the States Attorney reimbursements will stay the same. Victim Witness funding is still being worked on, with no clear answers from the State, and Roe expects to receive it. States Attorney salary is set by statute according to population. The reimbursements are set by statute. States Attorneys are actually state employees. Statutes require States Attorney offices to provide certain services, but the money for Victim Witness is not set by statute. The Governor could change the reimbursement practice without going through legislation. Discussion about States Attorney and Public Defender reimbursements followed, with Roe stating he expects these issues to be resolved this year with funding coming. Coffman noted that over the years, public defenders have made more than states attorneys, and public defenders work part time with ability to work in private practice.
iii. CASA funding has been cut from Roe's budget, as others are picking up more CASA funding from non-general fund budgets.
iv. Roe confirmed he is operating at 90% of his budget in salaries, with people being the most important asset of his office. Many decisions are made daily about who is being charged, with what, and these decisions impact the community.
v. Roe reported he is signing a contact with the collection agency for unpaid fines. It should bring in about $10,000 over 6 months for old, unpaid tickets, where collection agencies tend to have the most success. Ogle County will be paid first, and a fee will be paid on top to the collection agency.
vi. Roe updated the committee on the grants he and Greg Martin continue working.

- Probation & Focus House – Martin explained that two people from the Probation office filled Focus House vacancies earlier in the year and so you can see salary costs transferred to where the employee works with any extra being covered by non-general fund monies. While it looks like Focus House salary went up and Probation went down, it's just transferring the funds to where the employee transfers took place. Martin requested a new line last year to track holiday pay and had moved $20,000 to cover it. That was too high, so Martin has put FY 2011 with $10,000 at part time and $10,000 at holiday pay. 2011 for both Probation and Focus House is a $0 growth budget and same as 2010. Martin distributed a summary of budget review items noting:
    i. Probation is union, Focus House is predominantly non-union.
    ii. Past increase in wages for ATS employees came from dependent children's fund or probation services fees, not general fund.
    iii. When salary line items are maxed in general fund, Probation pulls from dependent children's fund or probation services fees.
    iv. Utility costs for Focus House is a new expense request. These costs were removed when the dependent children's fund was healthier. This is an operational expense Martin feels shouldn't have come out of the County. Other than Highway, no other departments pay their own utility fees. He stated that any amount of cost sharing the County could provide would be helpful.
    v. Detention costs – Focus House is Ogle County's placement budget. If there were no Focus House, county still has to allocate money to place kids somewhere and Ogle County schools would have to pay schooling costs for wherever they are sent. Because of Focus House as government entity, no school district fees are incurred for their schooling. Any other private, not-for profit entities have to bill back to the schools. That doesn't change if we get state licensing we're applying for.
    vi. Local kids from Ogle County is 12. Average per year might be 15-20. 2/3 Ogle County kids desired to 1/3 out of county kids. It costs $151 per day without school, and another $150 a day for the school. Reporting Center School is administered through Rochelle High School, and we get reimbursed from the state for these kids.
    vii. McKinley asked if Martin could calculate what we would have paid in 2009 for placements if there had been no Focus House. This would include funding from non-general fund monies. McKinley said we'd have to include other revenues and grant monies we get from MacArthur foundation for the streamlining and youth/community benefit that has come from Focus House also.
    viii. White asked about increased revenues. Martin reported on the state licensing process that would allow us to get more revenues by meeting their standards. He also reported on working with the Health Department to bill the state under the Medicare program for

some of the counseling services at Focus House. MacArthur Foundation has recommended this since all Focus House kids have Medicaid cards. This includes mental health services. Doreen O'Brien is helping to establish this process and will do sharing of revenues between the two offices. The downside is that in working with government sourcing, there are many bureaucratic roadblocks. Martin said he can't ignore any revenue streams.

ix. White asked if there are any liabilities in becoming licensed? Martin said more proof of credentials are required, and upgrading of fire and other safety standards. There will be more paper work, more than any specific operational changes.

x. Gronewold asked for clarification about the Rochelle High School funding model. Martin explained that when you get state funding for children in placement centers under the "Orphanage Money Act", the county pays nothing. Rochelle provides teachers at Focus House, and all funding comes from the state Orphanage Money Act. The LP tank for the school is covered by the State. Free breakfast and free lunch comes to the school kids through this funding too. Regarding staffing, the challenge is a 24x7 operation. The staffing costs do not exist during the day for the most part because they kids are in school. During school, they are supervised by the teachers. Mr. McKeel and Dale are there to deal with any necessary discipline issues, but in general, they stay in school.

xi. McKinley asked Martin and Dale to talk about staffing levels. None are taking the voluntary retirement. More staffing is required when kids are not in school. Leveraging part time resources is key. 3 houses require supervision with 6 kids to 1 staff ratio. Sex offenders need more supervision. County staff is working non-school hours. Rice noted they also use many volunteers. 1-2 staff per home plus counselors. Ages over 10 – 17. McKinley asked what the impact to less staffing would be. Martin said, how would you staff 3 homes with 3 staffing needs? 1 girls home 1 sex offender home, 1 regular. Focus House eliminates OT hours. Full time is 40 hours per week. Layoffs took part time people out. Focus House with less staff increases risk and decreases service, per Dale. Full time employees also have more consistent relationships and knowledge of the kids, providing better care. Part time resources don't have this. Stability comes with full time resources for both the operation and the children, who respond to consistent, primary people. Probation staffing is easier to manage, and Martin limits the office to working 7 hours 8:30 – 4:30 with one hour for lunch. Juvenile probation case loads have gone down, since there are more juvenile services available now, and the Juvenile Justice work is having a good impact. Greg's people now have more time to work with the kids as they

need to. In other counties, juvenile officers can supervise up to 80-100 kids, we have about 40 kids per office. On adult, there is differing levels of supervision based on what the judge orders. 3 juvenile officers, 5 adult plus 2 supervisors.

xii. Gronewold stated that we want to talk with unions and realize that what has worked in the past is not working now, for both sides. One issue is the percent increase, which is very inequitable and we can't afford it. We must do something now for this year and in the future. We hope they'd be willing to change of some of these things in the language. This also applies to step increases per Kenney. Martin indicates the compensation schedules are tied to 5 counties and the spirit behind it was to bring equity across counties and curtailed employees from jumping from county to county. Martin tried coming away from the comp schedule last year and the union responded with a grievance stating they can't do that since it's in the contract.

xiii. Nye reminded the committee that Focus House is a success story and the only home like it in the state of Illinois. Coffman stated Probation and Focus House do spend down most of the funds they have and would have to confirm exact amounts. The committee discussed the state statute that says we are obligated to pay the utilities and equipment and other things and noted this is a county owned building, but the county doesn't pay it.

xiv. Coffman asked about the annual $25,000 contributions from these funds, which are still in the revenue projections. Coffman reminded the group that we continue to talk about cost shifting instead of cost savings.

xv. White asked about being able to look at capital expenses that could be helped to lessen the operational cost burdens. The committee discussed the payment of loans, both Focus House and on the Judicial Center, which could be a good use of funds. Gronewold said it could be that taking Probation utilities out of long ranges monies would be better than taking utilities out of the General Fund. Coffman noted that paying bonuses out of dependent children's fund and then asking for money after giving increases doesn't seem like a good idea. The committee agreed they've done a good job over the years, but now there is a need to review how the funds are spread and spent. McKinley will follow up on the 2009 numbers of what we would have paid if there were no Focus House and only paid placement fees.

- Decisions - The Committee agreed they would like to hear all the department budgets first and then make specific funding decisions at the end of this process. McKinley encouraged the committee to begin thinking in terms of priorities since every department will be adamant they need what they ask for in their departments. For instance, is having a perfectly clean building as important as having an officer on the street?

Could we tolerate filing documents a little late to ensure probation clients are properly supervised for community safety?

- Revenues - The committee agreed they would like to review revenue projections during the Finance review on Thursday.

4. Public Comment- none

5. Adjournment – at 4:00 by Hopkins

Respectfully submitted,
Meggon McKinley, Ogle County Administrator

Lyle Hopkins – Finance Committee Chairman

Ogle County Finance & Insurance Committee
****Special Meeting****
Tuesday August 24, 2010

Tentative Minutes

1. Call to Order by Chairman Hopkins at 9:03
    - Members present: Hopkins, White, Gronewold, Kenney. Rice joined at 9:15. Diehl joined at 10:45. Saunders joined at 2:10.
    - Members absent: Rice until 9:15. Diehl until 10:45. Saunders until 2:10.
    - Others present: Kilker, DeArvil, McKinley, Coffman, Cook, Finch. Hanson and Typer joined at 11:00. Barnes and McDermott joined at 1:00. Nye joined at 1:45.

2. FY 2010 & FY 2011 Ogle County Budget Review & Planning:
    - Highway Transitioning to Maintenance vs. Improvement – Curtis Cook provided an overview stating they are in transition mode at the Highway Department as they look at long range planning for 2020-2025. He reported that over the last 10 years, Motor Fuel Tax revenues have deteriorated and the cost of construction has increased. The cost of bituminous material has increased 200%. Revenues are down 12% since 2006, which is well over $100,000. The state continues to pull more money off the top of the motor fuel tax before it's distributed, the fuel prices have increased, fuel efficient vehicles are more prevalent, fuel consumption is decreasing. As we promote mass transit, bike paths, and the like, motor fuel tax is being diluted. Price per gallon drives the motor fuel tax, and no one has the appetite to increase it. As such, the Highway Department is moving from a highway improvement agency to a highway maintenance agency. Funding decisions from the government also reflects this transition. Alternative fuels are not taxed at the same rate. As maintenance only, the only improvements you'll see are bridge improvements, which we can replace 1 a year making 50-60 year cycle of replacing bridges, which is good. Ogle County has the best bridge conditions in the state of Illinois and we'd like to keep it that way. Improvement projects that can be funded with outside sources can continue; others can't. Outside sources are also drying up.
    - Ogle County Impact: Cook reported as a result of this transition, some roads will have to go to seal coat, we will return to paint striping instead of therma plastic because it is less expensive, we will mow less, do more seal coating and less asphalt overlay frequency, less spraying, less and different driveway paving to the right of ways. Rice suggested asking the townships if they would be able to pick up some of the spraying in key areas. Through this transition, Cook expects to save costs in some areas while increasing costs in others. Staff has been the same size as in the

1970s and they are stretching out equipment life, hoping for a revenue stream enhancement. Many counties have been in this situation for years, like Carroll County since the mid 1990s. Cook indicated despite this transition, we are in a good position in Ogle County, much better than others. Coffman noted that because of the nuclear plant, our infrastructure is much better than it would be otherwise. Cook indicated they are a capital based department, so when revenues are down and expenses are high, we start stretching out the capital expenses. Rice asked about the German Road request to Excelon for them to help them participate in improvements to that road. Excelon rejected the request, per Cook, and so German Road has fallen apart, and now we just have to overlay it. Pecatonica Road will be overlaid next year. Cook reported we used to overlay 15 miles per year, and will be dropping down to about 6. In 1996 we paid about $23 per unit of asphalt, and last year we paid $90. Curtis agreed the Highway Dept can help the county this year with snow plowing, and we already help haul excess snow out, spread salt. Highway will also help with the Weld Park road repairs needed. Cook noted his department has made many such contributions over the years, such as the fiber optics projects, paying the Julie fees, etc.

- Highway Budget – Cook reported that May 2010 is the point of projections for what we expect to spend out of the funds the rest of 2010, and pp 1-6 are current expenses for each fund with expected remaining 2010 spend highlighted. Our rates are statutorily maxed out. Page 3 shows we are within $9,000 of what was projected for the budget. Page 7 starts the FY2011 projections, which Curtis reviewed line by line starting with the Highway Fund. Highlights include:
    i. Salary increases at $0 with gross figures the same as last year outside of the salary reimbursements given for projects with outside funding.
    ii. Big cost on 30+ radios to be replaced this year due to required frequency changes
    iii. Crackfill is double from last year because we expect more fill as we move to maintenance mode
    iv. Weed spray is down as we do less spray
    v. Other expenses are to fund the cash flow needs of highway between December and when taxes come in.
    vi. Fuel is down compared to this year because the spike didn't come in 2010 as expected.
    vii. Overhead hoist must be replaced this year, so facilities repair & maintenance is up, but overall the building maintenance & utilities are down.
    viii. De-icing materials are a significant change from last year. Salt has come out of motor fuel tax, but with the decrease, we can't keep doing that, so this will come to Highway also. Reimbursements come from the townships. This is a significant, and necessary change.

ix. Sign work is being done in joint venture with GIS. Cook would like townships to be more involved in this. We need the sign management system in place in the next year or so. New sign system must be in place by January 1, 2012. New signs must be in place by 2015-2018 depending on the type of sign. The reflectivity and size requirements are changing for more night visibility to accommodate aging society and higher safety expectations.
x. Overall $31,000 increase to Highway. Cook expects $1.53 million projected for revenues based on slight valuation increase with farm land up, nuclear plant up, residential down. 1.53 million levy recommended.
xi. Tax abatements were discussed.
xii. Hopkins asked about staffing levels and the voluntary retirement program. Cook said two have expressed interested, but we won't know for sure until 9/13. Curtis would not replace employees right away to see where he could do without, and would then bring them at starting wage, not at what the last person left.
xiii. Cook reported drug testing results have never found any problems in 18 years, and the team welcomes the random testing to ensure their team mates are operating safely.
xiv. White asked about the effectiveness of plowing our small lots with trucks versus small skid loaders. Cook said they do have a skid loader, but it is difficult to load and transport skid loaders. White suggested investing in this equipment might help the operation run more efficiently. Cook said in most lots would use trucks, and sidewalks could use skid loaders.
xv. Overall $31,000 increase to Highway. Cook expects $1.53 million projected for revenues based on slight valuation increase with farm land up, nuclear plant up, residential down. 1.53 million levy recommended. Tax abatements were discussed.

- Bridge Fund – Cook summarized the Bridge Fund budget on page 12, with the following highlights:
  i. County Aid to Bridge Fund requires us to participate with townships and municipalities when they petition us for aid.
  ii. Township bridges are a problem, although we are in better shape than most counties. Inflation has eroded our funds allocated to only replace 1 township bridge per year, which is not enough to meet demand.
  iii. No state inspections required for any culverts smaller than 20' long, of which we have thousands in Ogle County and thousands more in townships, but we must address the needs.
- Federal Aid Matching Funds- Cook explained line items and needs for the Federal Aid Matching fund, which is to match any federal funds given. Total requested is $1,485,861 and requested levy is $765,000.

- Motor Fuel Tax Fund - Cook explained line items and needs for the Motor fuel Tax Fund with total expected budget of $1,095,840. Highlights include:
    i. Salaries experienced out on the road are paid from motor fuel. $0 increases planned.
    ii. Patching material is up about $50k by increasing maintenance.
    iii. Seal coat is also up for the same reason.
    iv. Salt expenses are being shared with Highway Fund.
- Other Scenarios-
    i. McKinley reviewed the overweight permit fees increase suggestion Pat Saunders had asked her to talk about, which would be to add a processing fee on top of the $10 permit fee now to get more fees in to the Highway department. This would allow us to lower the Highway levy and increase the general fund levy for no loss of funds to Highway. Cook believes if this went up, people would not ask for the permits any more. The low fee now ensures people come to us for overload permission and we can then cooperate with them in the best routes for them to take without tearing up our roads. Cook believes increasing the fee would create a "catch us if you can" mentality and that we wouldn't see the results we want. Other counties do have sizable permits and have very little cooperation with these. Cook said the cost of processing the permit could be reviewed.
    ii. Gronewold asked about the $1.4mm needed for seal coat and hot mix asphalt overlays, which is now moving to Highway Fund also. Curtis explained this is necessary because of revenue reduction, and that it used to be shared between the two years ago and is returning to that model. He explained these are baseline costs needed plus patching, salaries, and some other misc expenses.
    iii. McKinley asked about Highway covering the insurance costs of employees, which Deihl has discussed with Cook previously. Cook said it's a bad idea and that to get 12-13% reduction to cover $150,000 of insurance costs, he would have to diminish salt usage, which would be very difficult to do, would bring risk to the county. Cook said salt is the only place Cook sees as available to cut compared to all other needs. Cook does not want this to take place.
- GIS Budgets– Cook recapped the GIS Committee Fund which comes from the recording fee from the partners. He reports $0 increases salaries and stated GIS recorder fees are running much less than 2009 for a total of $103,765. He noted 2010 GIS committee fund does not include the 60% of Larry's salary that needs to come into Finance General Fund this year since Cook agreed to do it for one year, but not two since Larry is doing more and more IT support, and less GIS support. Cook explained the updated maintenance cost breakdown of GIS. Expenses are down to

match declining revenues. Cook gave brief GIS Fee fund summary as well, per his hand out.

- Judiciary Budgets– Judge Hanson came to represent the judiciary budgets, noting most is similar to last year. They raised the interpreter fees and decreased juror fees, which are hard to predict because one or two large cases can change this unexpectedly. Salaries are kept at $0. One employee and the public defenders are covered by the General Fund. The judges had asked for a 3% increase in FY 2011, but reduced it to $0 per the Finance Committee's instructions. Kenney reminded the judge that last year's increases given after agreements to hold to $0 were unfavorable with negative ripple effects throughout departments that held the line at $0 as promised. Judge Hanson indicated the public defenders handle many case and the Judge wants to ensure we can keep them satisfied, with the tension between union and non-union always weighing heavily.
- Judiciary Savings Ideas - Rice asked if the Rochelle Court could be managed by bringing clients to Oregon through LOTS transportation to save costs by closing the Rochelle court. This would save some mileage costs only, per Hanson, since salaries aren't affected, but the mileage reimbursement comes from the state. The court reporter is reimbursed for her travel through the county, and one court security officer is reimbursed through the county. The public defender goes, but doesn't have mileage. No interpreter is paid there, rather, a volunteer that's there. Typer said the total is $2205 per year annually in county mileage. Hanson reported this is more of a convenience for the community and the police that have to testify in court. Small claims and evictions are done there too. McKinley said it seems we are running things very efficiently in Rochelle. Diehl asked about the work load of the judges and Hanson commented the case load is significant, explaining a typical week and how they plan schedules for the judges. McKinley asked about the law library fund, which needs a total budget of $30-35,000. The county law library act allows the county to increase the amount someone needs to pay into this. It's at $10 now, and the act allows you to raise it up to $20. The $13,000 could possibly be eliminated if we could pass resolution increasing fee to $18 on this item. Typer said this would be added as a court cost, but not against county general. Coffman said this fund brought in about $19,000 last year.
- Judiciary Revenues & Salaries- McKinley returned to the salary subject, updating Hanson on the revenue shortfall, and noted public defenders do quite well as part time employees with private practice also. McKinley explained the union lays offs that came last year to fund union raises and asked if the judges would give raises again out of discretionary funds if the general fund salaries were held to $0. Hanson said yes, they'd give raises. Coffman asked if they'd give the annual $10,000 fee transfer, and Hanson said yes. The committee explained the inequity that comes from giving raises when they said they wouldn't. Discussion turned to fees, and Typer said increasing fees doesn't ensure the money is collected. Hanson said the numbers they've projected include assuming not all would pay.

Hopkins expressed frustration that so many hard working people end up having to pay the way for those who don't pay. Discussion followed. Hanson said he would take the budget line item in their general fund down to $0 to offset it. Hanson explained how fees and collections are managed. McKinley asked Hanson to prepare a resolution for the 9/14 Judiciary meeting for the fee increase. Hanson invited the committee to come sit through the conference calls and court hearings to see what is happening in the court system.

3. Meeting recessed for lunch at 11:55. Reconvened at 1:05 by Hopkins.
    - Clerk & Recorder Budgets – Skip Kenney presented Becky Huntley's budgets, noting the big difference in the budget is due to having only 1 election this year. Salaries are at $0 increases. Kenney noted he wasn't sure if anyone is going to take the voluntary retirement package, although one person is eligible. Kenney recapped the discussion he had previously with Huntley about her desire to replace anyone that might want to leave and suggesting that she cross train her people to do multiple jobs if necessary. Hopkins asked about staffing levels. Kenney said he assumed from previous discussions Huntley feels she needs all the people she has. Deihl asked what the part time item is for, and Kenney indicated he thought it was for extra election support. White asked about the "other revenue" for 2009. McKinley stated she'd like to know if Huntley sees any opportunity to leverage part time resources differently such that we don't staff to peak.
    - Coroner Budget- Finch explained he cut juror fees and emergency funds for deputies, along with putting vehicle purchases at $0. Office supplies were cut $500 and gasoline another $500. Finch explained autopsy fees noting that in 2009, we had 30 and we are already at 24 in August. At $700 each, we've spent $16,800. Waste removal is as little as possible. We used to pay per box and now we pay quarterly no matter how many boxes we have. As such, Finch helps other departments dispose of hazardous waste, such as the jail and Sheriff Dept to save costs across departments. Probation will use the Coroner's service when their contract is up, and the Health Department is considering it. Finch reported for every autopsy, there has to be a lab done, so they've added for body bags, scalpels, needles, bleach, and other medical supplies. Finch reported we have the same number of deaths as last year, but more autopsies since there are more suicides. With people having less insurance, there are less doctor office visits which make for more autopsies. Finch doesn't expect our autopsy fees to go up based on the good working relationship we have with the doctor doing the autopsies. Diehl asked about the part time salary line, and Finch indicated in 2009, he shared Linscott part time with the Sheriff Department, who was the part time paper server and then laid off. He returned full time to the Coroners office and Finch cut other expenses, including juror fees and part time coroner support to cover Linscott's full time return. This year's budget shows the full time salary line item but nets a $1,000 decrease overall because of decreasing the other line items.

Lou indicated he let go of the $100/hour people and that is working well. White asked about the revenue projections, and Finch indicated cremation fees have been increased, but might be required to be held in a separate fund to be used for equipment. He will check on this. The Coroner's office made 348 calls last year. Various equipment savings were discussed such as working on the van engine to avoid buying a new one, using the maintenance department's help to fix the coroner's cooling system, which is now checked at least twice per day, including weekends to ensure it is functioning properly. The mold problem in the cooler was discussed. White suggested getting a temp control monitoring system to set an alarm telling you if the cooling system has failed.

- Circuit Clerk Budget -Typer distributed the FY 2010 budget summary and projected FY 2011 budget, noting the 2011 salary request is $537,368. McKinley noted she input $504,000 in salaries to the New World budget spreadsheet, per the Finance Committee instructions to keep all salaries at the same as last year. Typer explained his request for salaries included one retirement from 2010 and moving a part time person into her full time spot, saving $13,000 annually, although the savings will be over less than one year. Typer stated that position is open, and will remain open for the rest of the year. Typer noted all supplies and inventories are being squeezed as far as possible. He discussed the colored envelopes and forms needed to give to the people that come through the courts to return their monies in. Envelopes alone are $3,700. He noted that the judges and Probation paid postage for him this year, and he is holding the $18,500 postage expense line item to fund the salary line item overage. He didn't run juror lists this year, but will need to do that in FY2011. Official publications are over this year, with recommendations to increase in FY 2011. Equipment needs include longer maintenance on an old copy machine. 3 people will retire and it takes a long time to get people ready to get up to speed on everything they have to do in the office. Fees, fines, and costs are complex to understand and enter correctly so they can be processed correctly through the county and the state. Forms are now out on the web for the bar association to use. It's interactive, allowing input and printing.
- Circuit Clerk Automation Projects Planned- Typer reported on the following new automation projects he is pursuing:
    i. EGuilty – with Goodens to go online, plead guilty, make the payment online with a credit card. This goes to the database, uploads into the record sheet for automatic population for us to report. Circuit Clerk staff gets notice, hits accept, no more printing and filing of copies. This has been approved by the State of Illinois.
    ii. ESupervision – for those cases requiring supervision, Ogle will be first county in the state to allow clients to go online and populate for the Rock Valley College processing file, all without Circuit Clerk staff printing, just accepting in the database.

iii. ECitation – officers pull you over and take the drivers license for swiping and automatically populate the citation. Circuit Clerk will look at it, approve, and it will be stored in the database. This is all to save labor. The Sheriff doesn't want to do this yet. McKinley asked if Typer would fund annual maintenance as well. He said a bill is pending to let the fees on the back end to cover the ongoing costs. White asked about the current paper trail- 1 copy goes to the perpetrator, 1 copy goes to the Circuit Clerk, 3 copies go to Sheriff, which goes back to Circuit Clerk and States Attorney. This process could reduce the number of times it is entered, minimizing errors too. 10,000 tickets flow through Ogle County. Kenney asked how many positions will be eliminated from automation. Typer said the better answer is how many we avoided adding. Typer said they used to pay someone to manually touch every ticket. Today, Typer runs the report and is done within 10 minutes.

iv. EAppeals – working on a beta site taking cases out for appeal and avoid making volumes and volumes of copies to mail in. Trying to get all this on a disc. This may not happen in 2011 but after that.

- Circuit Clerk Other Expenses & Budget Issues: Typer also talked about the AS 400 needing to be replaced, as well as 6 year old switches. He said there are stamps that will have to be replaced as well as checks that are coming due and must be printed this year. Typer said the Operations Fund is newer and has $5,000 in it, which is where the travel for the office and training and education has been funded. Rochelle court is funded through the travel line. CASA funding is taken out of the child support fund. Coffman asked what McDermott thinks about the budget presented since Typer won't be in office. McDermott says he needs to get up to speed and says we have some issues, particularly having a shortage of $50,000 in salaries. McKinley noted that when other departments don't receive the funds they request to operate they have to negotiate union wages and look at laying off staff if they fail, like the Sheriff did last year. She asked why Typer continues to ask for more money instead of trying to negotiate wages with the union and considering layoffs if concessions fail. Typer responded saying the county decides what happens with the Circuit Clerk wages based on what they negotiate with the Sheriff because of the Clerk's "me too" clause. McKinley asked what he will do if the county doesn't have the funds to give him that he is requesting. Typer said he'll do what it takes to make it work. Hopkins asked what fees could be increased. Typer said jury fees for ordinance could be increased and that the automation fund is at $10 not $15. Hopkins asked for Marty to identify the 10 that he said could be increased and Typer said he'd follow up with Hopkins on that. Gronewold asked what the unpaid bills noted are, and Typer said he shouldn't have any. Gronewold asked about the union negotiations, and Typer said the me too will follow the highest of all other contracts. Kenney asked what Typer can do to get the me too clause

out to treat the unit of government differently. McKinley stated the circuit clerk wages are above the max for clerks and with the "me too", we can't get out of that problem. Kenney said because of "me too" this keeps spiraling, and as Gronewold said, this can't continue.

4. Public Comment - none

5. Adjournment – by Hopkins at 2:40.

Respectfully submitted,
Meggon McKinley, Ogle County Administrator

Lyle Hopkins – Finance Committee Chairman

Ogle County Finance & Insurance Committee
Special Meeting
Thursday August 26, 2010

Tentative Minutes

1. Call to Order – by Chairman Hopkins at 9:05
    - Members present: Hopkins, Rice, Diehl, Gronewold, Kenney. White joined at 9:15. Saunders joined at 1:30.
    - Members absent: White until 9:15. Saunders until 1:30
    - Others present: Barnes, DeArvil, McKinley, Finch, Coffman, Harrison, Reibel, Typer. Colson arrived at 11:15.

2. FY 2010 & FY 2011 Ogle County Budget Review & Planning - Marty Typer started the meeting first with an apology to the Finance Committee for speaking the way he did to Administrator McKinley in the last budget review meeting. He noted he already apologized to McKinley, and hopes the committee can also forgive him. The committee appreciated his apology, and moved on to the budget discussions.
    - Assessments Budget- Jim Harrison presented his budget noting the increase in official publications because we have to publish all property values in the paper every 4 years, and this is one of those years with 32,000 parcels to publish at a set price of $ .80 per parcel. The increase is $20,000 over last year. Office supplies and postage will also be up in response to having to mail assessment change notices, and we expect more changes due to the economy. He indicated our in house GIS mapping has saved a lot of money over the years, and is as low as we can get it. Software maintenance is non-negotiable. Jim prepared a spreadsheet showing the history of expenditures in his office as compared to others, which he pulled from the adopted budgets approved by Finance each year. McKinley noted these don't always tell the whole story of why budgets have to increase in any give year, and Harrison noted his portion of the pie has shrunk over the years.
    - Assessment Projections - Harrison said local papers have recently reported that our area hasn't been as bleak as the national picture and that the realtor association in Whiteside says sales are up a little bit, even though median price is down. He indicated farm assessments are a bit insulated and that our residential didn't have the same run up like the national statistics so we don't have as far to fall, but sales certainly have flattened and Jim expects this flat trend to stay, give or a take a little. White said 20% of sales in the area had to do with foreclosures. Harrison said the new laws about how the new foreclosure valuations take place (valuation at what it sold for) will likely bring downward pressure to us and we aren't sure how long they will stay down.

- Other Assessment Reductions - DeArvil asked what the Assessor's association can do about the official publication costs, and Harrison said they are working on this now, but that it takes more than just assessor's association to influence change. UCCI noted Tazewell County is challenging the issue this year and will post on the internet only. This will likely bring other groups forward in support when it goes to court. Harrison reported one employee took 10 unpaid days off through the voluntary unpaid time off program. He indicated he has no problem with freezing salaries and understands the need. However, it isn't right when others promise wage freezes and then turn around and give increases. Rice said we can't always control what the department heads do, but we have to start making difficult decisions, even considering closing the old courthouse building for certain days. Harrison said this would hurt his department a lot, to which Coffman said he agrees in terms of not penalizing those who renege on their promises. Harrison said his people feel fortunate they have a job and that there are two eligible for retirement, one is not going to take it, and will retire in July. They will leave the position open to see how it goes without her. In 1988, they had 3 full time plus Jim, plus 1 part time. In 22 years, have only increased .5 a person. Their office stays busy because the work stays consistent. Tax bills in June and Sept are the peak volume and then assessment notices, so part time could be used in these situations if they hold open the retirement spots. Harrison noted vacation time is difficult to cover. Coffman commended Jim's office on doing an excellent job and getting bills out on time. Com Ed is going up 10%, farm land is up 10%, residential reductions, Jim estimates flat or up just a little. White said intermodal is coming off abatement. Jim's employee took about $1,100 unpaid time off and Jim will ask if she'll do it again next year.
- Zoning Budget – The committee started by confirming there is $1,800 projected revenue per wind turbine that comes to the county. Gronewold asked what would happen if there were no zoning department. Reibel said if there is no zoning, there is no oversight of building, no flood plain management which brings removal from the flood insurance program and no insurance to residents, no subdivision management, no answering public questions, helping them through the process, the planning process. McKinley said she had asked Reibel to do an analysis of the impact of no zoning department a few months ago, and that she will forward it to the committee. Hopkins said there would be no control of things like wind energy. Kenney asked if there are unnecessary duplications between the planning commission, ZBA and Zoning. Reibel confirmed the Zoning Committee can't do the role of the zoning board because of conflict of interest but that the planning commission and zoning board of appeals could be combined. Discussion of the roles of each followed. Reibel indicated 100 wind energy permits would be $450,000 and administered with the current staff. There would be additional $1800 tax revenue per turbine per state legislation and the depreciation/appreciation formulas.

He reported the life expectancy of the units is 20 years and explained the filing fee is paid by the wind energy company and then Zoning publishes and sends the bill to the company for the publishing fee. Members of the committee stated this department is a model of success and a wise investment for the benefit it brings. Mike then walked through his budget write up, explaining each item which is flat or down from last year. Diehl noted Zoning was one of the only departments to pull 10% out of his budget last year as requested. Reibel indicated his copier is on its last leg, but will continue sharing with Solid Waste and if a new one is needed, the committee agreed it would make more sense to fund it from Solid Waste than Zoning. Regarding staffing, Reibel has 3.5 staff now, and 19 years ago there were 4.5. None are eligible for voluntary retirement. None of his staff took any of the voluntary time off.

- Treasurer Budget – John Coffman presented the budget he feels is necessary to run the office and noted he will continue turning any monies back in that are unspent as he has always done. Coffman noted he is a working manager doing everything in the office as well as the staff. The staff doesn't take breaks except for lunch, and his people aren't necessarily out the door at 4:30 each day. He reported reducing the total hours worked in his office by 11.6% since 2004 noting the work load has not been reduced, rather efficiencies have been obtained to do this. Comparing against other budgets, Coffman said one must take into account what changes have taken place in that office during that time. Coffman has 1 FTE and 3 part time people plus himself. None of his part time employees are eligible for benefits, but they do qualify for IMRF. Coffman will have to replace a computer next year but will use the tax sale automation fund that he uses for this since they all connect to the tax automation fund. He will also pay the New World upgrades out of the tax automation funds, as well as replace any necessary servers. Coffman said there is $3,500 per year into this fund, which he stretches. White noted central contracts for copying might be a good idea. Coffman reminded the committee that the County Clerk, Treasurer, and Sheriff are mandated by the constitution and that he hopes the committee gives new consideration to those who have managed well and spent frugally over the years. He also reported that his office collects $178,000 on penalties and interest on taxes, which covers his budget.
- Finance & Insurance Revenues- Projected revenue review included the following discussion points:
    i. We will keep EAV assumptions flat, based on some increases and some decreases per previous discussions that balance each other out. We are short $29,000 this year from Excelon because the total levy went above the Excelon cap and will show $29,000 less revenue in the property tax line.
    ii. We have 750 mobile homes in Ogle County.
    iii. The second pilot payment will come in 2011, with none for 2012 since the agreement expires.

iv. Hearing officer revenue will match the expected expense of $5,000 on each side.
v. Income tax – reduced it $75,000 from this year's budget and agreed to take another $50,000 out due to timing and unemployment. Total projected of $1,725,000.
vi. Sales tax to stay at $400,000
vii. Inheritance tax in 2010 was taken away, but will return in 2011, but is lagging. Dropped to $5,000 projected.
viii. County Officer Fund – the interfund transfer has had some confusion. This is the county officer fund with fees, interest, and property taxes. The additional $750,000 came from reserves, and Coffman didn't want to inflate the revenue numbers so didn't include it in the monthly reporting sheet. It has to be accounted for, so it shows here. This projection is based on the state's estimate of personal property, which for 2011 is $416,000 up from $342,000. The county officer fund is generating more revenue this year than we estimated. Interest is down significantly – YTD 2009 we had $26,000 and this year we have 5,200. County clerk recording and copy fees are up $50,000 YTD, penalty costs and interests up $8,000, Circuit Clerk are down $20,000 over a year ago, Sheriff $35,000 additional over a year ago, States Attorney went down a few thousand.
ix. Drop liquor license to $20,000
x. Public defenders is part of the group with the memo from the state saying they will cut this back to 40% of the 66.66% share, so we've dropped it to $12,000. Roe has indicated he thinks this will be reinstated, but we will keep it down for now. Coffman reported the county is required to pay the amount, regardless of reimbursement amount. We use part time public defenders, which is most cost effective vs. state requirements of reimbursement of 90% the states attorney's salary.
xi. Judiciary transfers – Judge Hanson indicated they would continue with the $10,000 annual transfer.
xii. Circuit Clerk fees are down about $100,000 and expect this to continue. Discussion followed about the option of doing away with the $10 fees that would bring $50,000 back to county general. Gronewold also updated that McDermott's said he would not give a $25,000 transfer either. Rice said it's important to hold departments accountable to the agreements they make. The $25,000 is to be taken out.

3. <u>Recess for lunch by Hopkins at 12:10. Reconvened at 1:10.</u>
   - <u>Revenue discussions continued:</u>
     i. County Clerk Other revenue should be up in the HAVA money, per Coffman.
     ii. Probation - $340,000 is the latest amount the state says they can give for reimbursement, up slightly from this year.

iii. Year end transfer to be deleted
iv. Assessor's salary is like the public defenders, it is to be 40% of what it was funded at last time. This is unlikely to come back.
v. Zoning permits estimated to be at $40,000. Diehl noted this revenue would also go away if there were no zoning department, or it would have to be absorbed by another department, adding staff there to do it.
vi. John remains concerned about the jail boarding revenue for this year and has dropped it a bit for 2011. This line item has bounced more than others and is hard to predict. McKinley will ask the Sheriff to report on this for the next finance committee, specifically, how the numbers reconcile to what is charged, what we receive, and how we are to project. McKinley suggested adding this topic to FY 2011 strategic planning in terms of being sure we can secure federal marshal prisoners in future contracts since ours is set to expire in a few years.
vii. Sheriff reimbursements come from fund 665 for federal jail transports and is lowered this year.
viii. 911 is covering the coordinator salary and benefits. The additional contributions they made years back was left in and needs to be taken out as no specific requests are being made to the 911 board for this. McKinley explained the NG911 technology needs that are coming and what the 911 board is saving for in regards to this. McKinley has asked Sandy Beitel to come to a future board meeting to update them on what is happening in this area.
ix. Coroner fees will stay as is until we hear otherwise.
x. States Attorney shows 40% of last reimbursement – leave as is hoping it is reinstated.

- <u>Finance Budget</u>- the committee reviewed the finance department needs with the following highlights:
    i. Official publications – notices of bids, work force posters move up to $500
    ii. Add $5,000 copy machine for committee and board materials through the Administrator's office
    iii. Move 40% of Larry salary back in, not 60% as Cook presented in the GIS budget discussion
    iv. Network IT - Drop IT to $18,000. McKinley noted we have already seen significant monthly savings by switching vendors. Dynamic Horizons was billing between $2,500 - $5,000 per month for email and network support. RMU has charged an average of $400 per month, for a four month total of $1,600- a fraction of Dynamic Horizon's billing. She noted this was expected and the reason for putting the business out to bid. McKinley will obtain fee estimates for upgrading switches, and the committee noted this might be a capital expense from long range instead of the general fund. An IT conversion discussion followed with McKinley stating

it has been difficult to understand our network since there was no documentation anywhere and Dynamic Horizons dropped their support once they lost the bid. She noted each time we went to convert to Untangle, we found more routes on the network that we were unaware of and halted the conversion until understanding the configuration. McKinley distributed a summary of the cost savings she has lead in the last year she has been on the job. DeArvil noted the retirement savings will be less if the employees retiring are replaced instead of holding the positions open.

- Insurance Budget – Rice discussed needing to confirm health insurance against what our unions do. Saunders said the policy said we pay 75% of insurance and 25% taken out of checks. If we pass an increase, it will need to be 5-10%.
- Budget Summary – Totals from today's discussion appear to be about $1,148,129 short- McKinley will confirm when final numbers discussed are input. Discussion regarding where to start followed. Hopkins said we have to look at other available funds, layoffs, all possible reductions. White indicates we must have a priority list as to what we are willing to reduce and what we are not, and that we should look at where raises were given last year. Gronewold said cross training is critical. McKinley said shutting down the administrative offices 4 hours every Friday appears to save about $65,000 annually. John then reviewed all the funds, what they are, and who controls them. Saunders said she talked with Pemberton years ago about the document storage and automation and he believes it is possible to take 1 FTE salary from each based on what the employee is working on. McKinley will email a summary spreadsheet to the Finance Committee for them to identify various scenarios they think are possible to close the $1.1million gap.

4. Public Comment - none

5. Adjournment by Hopkins at 4:00

Respectfully submitted,
Meggon McKinley, Ogle County Administrator

Lyle Hopkins – Finance Committee Chairman

Ogle County Finance & Insurance Committee
****Special Meeting****
Friday August 27, 2010

Tentative Minutes

1. Call to Order – by Committee Chairman Hopkins at 10:05
    - Members present: Hopkins, Rice, Gronewold, Kenney, White, Diehl
    - Members absent: Saunders
    - Others present: Kilker, Barnes, McKinley, Coffman, O'Brien, Rypkema, Clemens

2. FY 2010 & FY 2011 Ogle County Budget Review & Planning
    - HEW- Health – O'Brien distributed and explained the summary sheet of her budget. The front page is revenue, and the second sheet is expenses. She highlighted her grants, as well as fees and contracts. Outside money brought to the county totals $655,702. Fiscal year 2011 shows salaries are down .2% because she has moved a few people to part time status, and insurance has gone up which they pay. Travel is down for staff because they must use a county vehicle because it is much cheaper. Commodities are all of their medical supplies, and are down 5% for next year. Contractual are for computer maintenance & repair, the TB doctor that reads the results, the copy repairs, postage meter, rental space in Rochelle. This is down 36%, partly because of the contractual nurses hired to do H1N1 and paid through the grant. Equipment is down also. Total is down 11% in expenses for FY2011. Income budgeted is $1,000,802 and expenses $1,025,381. Utilities at Rochelle are included, and summer utilities run about $300 with winter about $450 per month. The thermostats have been locked down, saving $100-$200 per month. $7,000 total utilities annual. Rent is $28,286. Rochelle office is highly important to serve the clientele there, focusing mostly on WIC, immunizations, U of I's prenatal clinic. Over half the case load goes there. The WIC grant looks at our barriers to care, which is why we have a Rochelle office, a Spanish translator, and extended hours M-Th. This is a requirement for that grant. Family planning program was dropped 2 years ago, and our environmental health inspector and director of environmental health are both at 30 hours per week, which is a savings. O'Brien reviewed her staffing levels report with 21 staff with 18.15 FTE. Total of $157,000 for staff health insurance. Rice asked about the 80% of pay insurance, which was negotiated under Jerry Daws. Union negotiations are underway. This year's general fund request is $80,000 down from $84,000. If the health insurance split moved to 75% it would be a savings of $7,500 to her budget. The deficits projected each year are

usually covered by additional grants and opportunities that come up during the year. Last year's deficit was covered by the stimulus money from Obama. Doreen said state checks have come in regularly, probably because the amounts are small. Rice thanked O'Brien for the good work she does and how proactive she is when she sees problems coming. O'Brien says all counties are paring back now. The ordinance for fees increasing is laying over for board vote next month.

- HEW – ROE – Amy Jo Clemens distributed her budget noting it is a flat budget. She has one full time county employee. In 2006, there was a long term employee who retired, allowing a reduction in salary. The intent was to recoup that back into the budget, but we haven't been able to and have maintained our expenses despite office growth. Clemens pursues federal and state grants to cover additional needs, allowing her county budget to stay flat. The county covers the lease, but ROE takes all the maintenance and upkeep out of other funds. $2.1 million is the total budget. Clemens remained concerned about a $0 wage increase again for her non-union employees. Dixon public schools send her annually what it costs them to keep that building open, and she pays based on that. McKinley reminded the committee to look at the Staffing & Service Delivery Plan documented for the Board earlier this year to fully understand Clemens' staffing model, budget split with Lee County, and all the services they provide for the small county contribution. Clemens reported the Byron coop situation is still in mediation. In June they met and requested another mediation day which is to take place in September.
- HEW – Solid Waste – Steve Rypkema distributed his budget as presented to the Solid Waste Committee. He added a column explaining each expense. He noted salaries have remained flat, but is requesting that this committee allow for raises since last year many did give raises and he was a department that didn't. 3% is $3,770 for salaries with a slight increase to benefits. This department pays everything out of solid waste or from grants, specifically the $56,000 EPA grant. With unions getting increases in the past, and elected officials getting increases, Rypkema requests raises for his staff. Kenney noted the ramifications have been significant in the county because of the inequity of the departments that gave raises. White agreed noting he intends to take those last raises into consideration when budgets are set this year. 2010 was the first year at $0 wages. Rypkema asks for the committee not to forget those who have followed the guidelines. McKinley indicated we have a $1 million shortfall, which drives the issue more so than equity. She pointed out the difficulty in trying to treat departments equally when they all operate so differently with various revenue sources. Gronewold noted we can only control the dollars in the budget. McKinley said the total amount of 3% raises for all non-union is about $50,000. Rypkema noted 10% insurance increase, which the committee confirmed as the right number yesterday. Rypkema reviewed the line items of his budget. Total expenses projected are up slightly due to insurance, for a total of $299,760. The flat host fee

payment to Rochelle and Creston has been reduced by $7,927. Income is based on past receipts, which includes the lowest point of receipts, but Steve believes it will be on the upswing. His Violia projections are conservative, so he has cut based on the last 18 months host fees revenues, so it is cut by $380,000 for conservative budgeting. Rochelle is also decreased by $30,000. Recycling income is difficult to project, but we are seeing a little from the materials now. Interest rate income is based on 1%, which he worked with Coffman to project. Overall income projections are down $366,268 based on historical trends, although Rypkema believes they will be better than this. Kenney asked what challenges Rypkema faces this year, and he indicated the landfill audits and payment protests we are dealing with. The audit is much more difficult than anticipated. They've done their part, now we have to make sense of it. Rypkema indicated they've made progress with the EPA because the EPA issued a letter stating the landfills must pay state fees on the ground cover materials. However, landfills may apply for the beneficial use determination exemption. Odor complaints remain an issue the landfills have to address, and we aren't sure what they really are or are not doing to pull out gypsum. Rypkema's department must deal with the odor issues also, which consumes much of their time.

- HEW - Animal Control – Dr. Champley presented his 2011 budget and noted this year income to expenses are going well, which he expects until the time he needs to purchase a new vehicle. Henry Coy will be retiring next year, and they will look to hire a replacement. We will need to hire the new person while Henry is still here, and asks for another $2,000 for this cross training. McKinley suggested bringing someone in for less salary verses adding the $2,000, and Champley would prefer adding it in case they need to bring someone in from another county already doing the job. Insurance may need to go up another $1300 also if there is a 10% increase. Rice asked about any dog ordinance changes coming this year, and Dr. Champley said he believes our ordinances support what has been needed in recent Ogle County situations. Rice thanked Dr. Champley for doing a good job in his department. Champley asked that his employees would be treated equally with all other employees, and Hopkins confirmed we are striving for $0 wage increases.
- HEW – Soil & Water - asked for $22,500 this year and reported they have only about 1 year to keep their doors open without additional state monies. Kilker noted they had reserves to pull from, and that 4 others in the region have closed the doors already. White asked about trying to come together in other counties to merge and stay afloat, and Kilker said this is being looked at. White asked if U of I could help provide the services if they merged, which Kilker noted is a new thought. Kilker said she was disappointed that we stopped our full amount of Ogle county fair contribution. She also noted hoping to see the soil & water soil preservation education for elementary schools continued.

3. Final Budget Review – White suggested a special meeting prior to September 14 to present individual budget ideas. Gronewold would like to see some consensus on ideas needing decisions so far. Gronewold asked the committee's input on whether to use any reserves, or do the reductions through all cuts. White doesn't feel cuts alone will get us where we need to go. The question is where to go for supplemental funds since reserves have been used. The committee would also like to know the Circuit Clerk parameters for putting an employee's salary and benefits to the automation and/or document storage funds. McKinley suggested looking at the audit findings and seeing what was or was not justified as being necessary. Coffman noted the committee can't force use of funds, but needs to enlist cooperation on the subject. In regards to the solid waste funds, White indicates he would only look at using it for utilities after we've cut everything to the bare bones in the operations. Based on his calculations, there is $432,000 for phones, electric and gas. Focus house staff to client ratios are good now, but need to be looked at per White, and maybe we could add in Focus House utilities. Adding in the $55,000 focus house utilities, $7,000 health department utilities, and some others brings us up about $500,000. White also noted making early payments on bonds was discussed, but may not be a good perception although it economically makes good sense. White also indicated the state of Illinois could file bankruptcy and null and void all the contracts. If that happens, we might need every dime in the solid waste fund to just be able to provide minimal services. Coffman said 1/3 of income is coming in from the state, so of $12mm budget, $3-4 million comes from the state. If the state didn't pay anything for 3 years, we'd have about $3-4mm each year from the solid waste and long range to keep running. Coffman said he misspoke yesterday and that the Com Ed agreement is up in 2011 not 2012 as he said. McKinley noted splitting the difference on reductions helps the morale and leadership of people inside the organization. Kilker said the 80% staffing ratio means staffing cuts have to come. The committee agrees. White mentioned the COPS grant and discussion followed about how it could or could not help. Looking at those departments with staffing to peak is important also, per White. Lynn suggested looking at departments in terms of percentage of the budget. The purpose of the exercise of this week has been to have a better understanding of the impact of staffing cuts, which the committee feels they accomplished.
4. Special Meeting Planned - The committee recommended a special meeting September 2, 9:00-12:00 room #100. Gronewold asked that we first cover the reporting requirements for Gouker's request to understand where we are on the 2010 budget as well. Everyone is to come with budget recommendations, including the Administrator. .

5. Public Comment - none

6. Adjournment by Hopkins at approximately 1:30

Respectfully submitted,

Meggon McKinley, Ogle County Administrator

Lyle Hopkins – Finance Committee Chairman