

Proceedings of the Ogle County Board Meeting
October 21, 2014

State of Illinois)
County of Ogle) ss

Call to Order

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

Roll Call

The roll call shows O'Brien is absent. The Invocation is given by Welty and is followed by the Pledge of Allegiance.

Approval of Minutes

Chairman Gouker asks for a motion to approve the September 16, 2014 Ogle County Board meeting minutes. Brooks makes the motion to approve, Heuer seconds and the motion carries on a voice vote.

Approval of Reports

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

Presentation – Ogle County Soil & Water Conservation District

Chairman Gouker states they will make their presentation at another County Board meeting as this is a busy time for them.

Presentation – Illinois State Representative Tom Demmer

Illinois State Representative Tom Demmer gives a legislative update to the board. Demmer also compliments the board on the forensic audit of the Sheriff's Administrative Tow Fee Fund. It is critical to maintain the trust of the public and that they know when there are tax dollars being spent that they are spent the appropriate way. There doesn't always have to be malicious action which we saw happen in Dixon where someone took advantage of a system that wasn't transparent. It's not always malicious action but sometimes it's something that works a certain way and is under the radar. It is important for us as Elected Officials that we look for those opportunities to look for the best practices and implement those to make sure we have the right processes in place to ensure voter trust. Demmer states he knows this wasn't an easy process but the County Board is heading in the right direction.

Presentation – County Engineer Curtis Cook – Highway Equipment Storage Building

County Engineer Curtis Cook gives a PowerPoint presentation on the building of the new Equipment Storage Building.

Resignation – Lost Lake River Conservancy District – Steve Larry – R-2014-1001

Chairman Gouker presents R-2014-1001 in regards to the resignation of Steve Larry on the Lost Lake River Conservancy District. Oltmanns moves to approve R-2014-1001, Heuer seconds and the motion carries on a voice vote.(Placed on file)

Resignation – Forreston Fire Protection District – Dave Drake – R-2014-1009

Chairman Gouker presents R-2014-1009 and states we just received the resignation of Dave Drake on the Forreston Fire Protect District because he has moved out of the Forreston Fire Protection District. Oltmanns moves to approve R-2014-1009, Typer seconds and the motion carries on a voice vote.(Placed on file)

Vacancies –

- Board of Health – 1 vacancy – unexpired term
- Board of Health – 4 vacancies (1 applicant must be a Doctor)
- Mental Health 708 Board – 1 vacancy
- Lost Lake River Conservancy District – 1 vacancy
- Ogle County Civic Center Authority – 6 vacancies
- Franklin Grove Fire Protection District – 1 vacancy
- Forrester Fire Protection District – 1 vacancy

Application and Resumé deadline – Monday, November 3, 2014 at 4:30 p.m.
in the County Clerk’s Office located at 105 S. 5th St – Suite 104, Oregon, IL

- Mental Health 708 Board – 2 vacancies

Application and Resumé deadline – Monday, December 1, 2014 at 4:30 p.m.
in the County Clerk’s Office located at 105 S. 5th St – Suite 104, Oregon, IL

Appointment - Byron Museum District – Randy Jack Hess - R-2014-1002

Chairman Gouker presents R-2014-1002 which recommends Randy Jack Hess be appointed to the Byron Museum District for a term which will end June 30, 2019. Typer moves to approve R-2014-1002, Brooks seconds and the motion carries on a voice vote.(Placed on file)

Appointment - Ogle County Housing Authority – Robert Falk - R-2014-1003

Chairman Gouker presents R-2014-1003 which recommends Robert Falk be reappointed to the Ogle County Housing Authority for term which will end October 31, 2019. Nordman moves to approve R-2014-1003, Petrizzo seconds and the motion carries on a voice vote.(Placed on file)

Zoning – #9-14 AMENDMENT - John B. Anderson – O-2014-1001

Welty presents the petition of John B. Anderson, 6000 S. Hickory Rd., Oregon, IL for an Amendment to the Zoning District to rezone from AG-1 Agricultural District to IA Intermediate Agricultural on property described as follows and owned by the petitioner: Part of the E1/2 of GL 2 of NE1/4 Fractional Section 3 Grand Detour Township 22N, R9E of the 4th P.M., Ogle County, IL, 10.0 acres, more or less. P.I.N.: Part of 21-03-200-012 - Common Location: 6000 Block of S. Hickory Rd. Welty moves to approve O-2014-1001 and Janes seconds. Saunders would like the minutes to reflect there is a quarry next to the property. Welty states this is also noted in the Zoning Board of Appeals minutes. The motion carries on a voice vote.(Placed on file)

Public Comment –

- Bowers thanks everyone for the cards and concerns while she was recuperating from surgery.

Road & Bridge – County Restricted Bidder prohibiting Preferred Concrete Systems from bidding on Ogle County projects – R-2014-1004

Hopkins presents and makes the motion to adopt R-2014-1004 which will prohibit Preferred Concrete Systems from bidding on Ogle County Projects for 15 years and Kenney seconds.

Meyers would like to know if we have placed a bidder on the restricted list for 15 years before. Hopkins states he does not recall in his time on the County Board. Meyers asks if Preferred Concrete Systems has been contacted we are going to be doing this. County Engineer Curtis Cook states they have placed someone on the restricted bidder list before but not for fifteen years, it was a different duration. There were contractual issues with this subcontractor and they don’t typically bid as often. Cook states the General Contractor bid the project and this subcontractor was used for the concrete on the building. Meyers states he believes we are opening ourselves up to a lawsuit if we do not contact the company and inform them that they are being placed on the restricted list and why we are doing it. Meyers also asks for a roll call vote. Cook states once this resolution is passed; they will be well aware. Cook also states they are well aware of the situation now. Cook also says they are on a restricted bidders list across

various governmental agencies at this time and they have not been responsive to the General Contractor.

Welty doesn't understand how the county can benefit from placing them off the bidders list. They could always have a change in management within the organization or improve the quality of their work. Cook states his recommendation to the committee was to restrict them from bidding on future projects. We may be going to court in the future on this building because of the concrete matter. In order to mitigate any future occurrences of our working together; I am recommending we restrict them from bidding.

Meyers asks about the strengthening of concrete over time. Cook states concrete gains the majority of strength in the first week and within three days this concrete was at 50% and it should be at 75%. We had concerns about the quality of the concrete that the concrete contractor was pouring. We expressed our concerns about the quality of the concrete with the General Contractor and the Sub-contractor. The General Contractor had to hire a third party finishing company to finish the floors that the concrete contractor sub-contractor was to complete the first time.

Welty asks why they are not recommending that the General Contractor be restricted from bidding as well. Cook states the General Contractor has been very responsive and is addressing this with the sub-contractor in a legal fashion. Cook states this resolution is recommending the sub-contractor be restricted.

Roll call:

YES: Hopkins, Janes, Kenney, Kirkolis, McKinney, Petrizzo, Saunders, Simms, Sparrow, Typer, Bowers, Brooks, Colbert, Colson, Finfrock, Griffin, Heuer and Gouker

NO: Meyers, Nordman, Oltmanns, Welty and Gronewold

ABSENT: O'Brien

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

Road & Bridge - Intergovernmental Agreement between Ogle County and Townships for Inspection of Township Road District Bridges – R-2014-1005

Hopkins presents and makes the motion to adopt R-2014-1005 and Bowers seconds. Meyers asks if this is something we normally do. Hopkins states this is new and is for documentation purposes. The motion carries on a voice vote.(Placed on file)

Welty asks if we will see a resolution next month to restrict the General Contractor from bidding in the future. Hopkins states we will discuss this at the next committee meeting.

Ogle County Claims – Clerk reads the claims:

- Department Claims – September 2014 - \$26,523.09
- County Board Payments - October 21, 2014 - \$182,271.75
- County Highway Fund – \$177,613.97

Kenney moves to approve, Typer seconds and the motion carries on a voice vote. (Placed on file)

COMMITTEE REPORTS

The following committee minutes have been placed on exhibit: 911 ETS Board, County Infrastructure, County Security, Executive Committee, Finance & Insurance and Personnel, HEW & Solid Waste and Veterans, Judiciary and Circuit Clerk, Long Range and Strategic Planning, Mental Health 708 Board, Negotiations Committee, Regional Planning Commission,

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Road & Bridge and Mapping (GIS), State's Attorney and Juvenile & Probation, Supervisor of Assessments and Planning & Zoning.

The following committees had no minutes to file: Agriculture Committee, Blackhawk Hills RC&D, Board of Health, G.I.S. Partnership, Liquor Commission, L.O.T.S., Public Aid Appeals, Safety Committee, Tri-County Opportunity and UCCI/ICRMT.

Committee Reports –

Long Range Planning:

- o Long Range Bills – R-2014-1007

Griffin presents and moves to approve R-2014-1007 as follows:

VENDOR NAME	DESCRIPTION	AMOUNT
Martin & Company	Highway Dept. Parking Lot – Final Pmt – 09-00289-00-MG	\$ 209,524.78
Rockford Structures Constr. Co.	Sheriff's Admin Building - Appl #5 thru 9/30/2014	\$ 550,945.85
Zones, Inc.	(3) Cell Phone Boosters – New Sheriff's Admin Bldg	\$ 1,956.00
Saavedra Gehlhausen Architects	Construction Phase and	\$ 3,452.10
	SGA Reimb. Expenses for Sheriff's Admin Bldg – 9/2014	\$ 256.24
	TOTAL:	\$ 766,134.97

Janes seconds and the motion carries on a voice vote.(Placed on file)

- o Project Update – Griffin has Greg Suthers of Rockford Structures give the board an update on the progression of the Sheriff's Administration Building.
- o Jail Roof Repair – Griffin states this project should be completed this week.

State's Attorney & Juvenile & Probation:

- o State's Attorney Appellate Prosecutor – R-2014-1008

Finrock presents and moves to approve R-2013-1116 for the State's Attorney Appellate Prosecutor which appropriates \$18,000 for Fiscal Year 2015, Welty seconds and the motion carries on a voice vote.(Placed on file)

Executive:

- o 2015 Holiday Schedule – R-2014-1006

Chairman Gouker presents R-2014-1006 for the 2015 County Holiday Schedule. Bowers moves to approve R-2014-1006 as presented and Nordman seconds. Heuer comments there is an error on the resolution. County Clerk Huntley informs the board to look at the other side for the correct dates and the resolution will be corrected. A roll call vote is called:

YES: Janes, Kirkolis, McKinney, Meyers, Nordman, Oltmanns, Petrizzo, Simms, Sparrow, Bowers, Colbert, Finrock, Griffin, Heuer, Hopkins and Gouker

NO: Kenney, Saunders, Typer, Welty, Brooks, Colson and Gronewold

ABSENT: O'Brien

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

- o Sheriff's Administrative Tow Fee Fund Report - Sikich LLP – James Sullivan – Director, Dispute Advisory

Chairman Gouker introduces James Sullivan to speak about the forensic audit results of the Sheriff's Administrative Tow Fee Fund; the audit has been distributed for review.

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Sullivan states Sikich was retained to provide a forensic audit on the Sheriff's Administrative Tow Fee Fund which was established by an Ordinance in October 2011. The Ordinance stated "any funds collected as an Administrative Fee shall be used at the discretion of the Sheriff, and may be used for law enforcement related activities including the purchase or maintenance of police vehicles, equipment, or training." The Ordinance was revised February 18, 2014 and stated "Any funds collected under this Division as an Administrative Fee shall be deposited to the Sheriff's Tow Fund, as established by the Ogle County Board, and shall be used for law enforcement related activities limited to the purchase, repair or maintenance of police vehicles, vehicle equipment or fuel."

When Sikich began its review of the Tow Fund, they found there were no written procedures for the collection and processing of the administrative fees collected. Sullivan states funds from other sources were comingled; the first deposit made to the account was a check from the Illinois Emergency Management Agency. All of the funds which were comingled were distributed with the same discretion as granted for Administrative Fees.

Sullivan states Sikich found records were not well kept by the Sheriff's Office; the ledger was inaccurate, sporadic paperwork was available for review, receipts to people who paid the Administrative Fee were not used until January 2012. The paperwork was in pieces and Sikich pieced together the paperwork provided and established there were 471 tows between October 2011 and through June 2014; of which 11 of the tows resulted in the vehicle owners surrendering the title. Sikich began with 460 fee paying tows for their examination.

There were 21 Tow Companies used and Sikich began visiting tow companies to establish the number of tows. Since the account was closed on April 15, 2014 and the money was transferred to the Treasurer's Office, Sikich looked for tows between October, 2011 and April 15, 2014. They were able to verify some paperwork which corroborated with the Sheriff's Office and clarify some issues in regards to non-fee paying tows which were struck from the list. After visiting the tow companies there was a net increase in tow fees that we found. When we found paperwork for the tows, we questioned the Sheriff's Office if they can verify these tows. Subsequently the Sheriff's Office provided paperwork that was not with the original paperwork given to Sikich for review. Other tows were also verified by narratives provided in police reports which indicated an Ordinance Tow.

Sikich visited six of the twenty-one tow companies which accounts for a little more than 50% of the original tows identified. They ended up with 502 tows which should have generated \$175,700.00 in tow fees. The bank records were reviewed for deposits and for the life of the tow fund was \$226,658.45. Since the deposits to the Tow Fund were comingled between tow fees and non-tow fees we tried to figure out how much of the money was non-tow fee related. The records obtained from the Sheriff's Office revealed \$61,713.00 of revenue deposited into the fund did not come from tow fees; money came from Exelon, money received for transport of prisoners, money from municipality's paying for the use of the Sheriff LEADS System and other sources. The expected deposits into the tow fund should be a total of \$237,413.12 and only \$226,658.45 were deposited into the tow fund account. There is \$10,754.67 unaccounted for at this time.

There are some outstanding issues which Sikich was not able to get answers and still require clarification:

- Office of Emergency Management check of \$12,920.31 –\$10,000.00 was deposited and the remaining \$2,920.31 is unaccounted for.
- Cash transaction recorded in ledger for work performed on the Sheriff's truck by Dan's Diesel.

Sikich has identified a complete breakdown of internal controls; which means what is the best practice for handling cash such as keeping a paper trail of records which can be audited. The Sheriff's Office did not have good records and there was no segregation of duties. More than one person received cash paid for tow fees but only one person prepared and made the cash deposits. The money was not secured within the Sheriff's Office. It was maintained in an office in a file cabinet with a simple lock and the door was not always locked. There was an average of 2 deposits made per month. There are a series of recommendations made in the audit report.

Chairman Gouker opens the floor to the board members for any questions on the report.

Welty refers to pages 10 and 11 of the Sikich audit report and the total number of deposit reported as \$226,658.45. Welty comments on page 12 there is \$10,754.67 not accounted for in the expected deposits of the tow fund and there is \$2,920.31 cash back from a deposit and essentially there is \$13,674.98 missing. Sullivan concurs with Welty's comment.

Meyers comments to Sullivan that we cannot say where the money went and we are not accusing anyone of taking it, we are stating there are sloppy records. Sullivan states yes, the records were sloppy and no controls on processing. Sullivan also says he doesn't want to confuse with the discretion granted to expenditure of the Administrative Fees since the money was comingled; it was all spent with the same discretion.

Chairman Gouker states with the poor records we cannot tell if the money was misappropriated or wasn't.

Saunders states if this is what was determined with only 50% of the tows after visiting with the 6 towing companies that there could be more tows accounted for in the remaining 50%. Sullivan states they visited 6 tow companies who had good records and other towing companies didn't have good records and those records were not reviewed. After visiting with the 6 tow companies there was a net increase in the number of tows and if we were to visit with the other companies there would more than likely be more tows found. Saunders states then we could be talking about missing another \$15,000. Sullivan states yes there could be more fee paying tows.

Saunders comments on the check received from IEMA. To her understanding it was to be used for salaries in regards to overtime used in a snowstorm. Sullivan cannot comment on what the check was for. Saunders asks if this was to be used for the overtime spent on the snowstorm, can this money be returned back to the General Fund. Chairman Gouker states we really don't know the purpose of the payment. This check came from IEMA for a grant and had no business being deposited into the tow fund. Chairman Gouker comments that there was other money deposited into the tow fund which should not have been placed into the tow fund and the Executive Committee will make a recommendation to transfer the \$61,713.12 to the General Fund. This money was not collected as part of the Administrative Tow Fees and doesn't belong in that fund. Saunders states grant money has specifications as how it is to be used. Saunders asks if we need to seek a legal opinion before transferring the money back to the General Fund.

Petrizzo asks if the Sheriff has seen this report. Chairman Gouker states yes. Petrizzo asks if the Sheriff had any reaction to this report. Chairman Gouker states not specifically; he is upset this has happened and knows it is his fault since he had control over the fund. Chairman Gouker states he has not talked to the Sheriff directly. Petrizzo asks if the Sheriff has broken any laws with the comingling of funds into the tow fund. Chairman Gouker states he is not aware if it is in violation of any laws; but he is in violation of a lot ethics and was a gross violation of the public's trust.

Petrizzo states given the results of the audit tonight he would normally want to pursue an audit in similar capacity of the credit card of the Sheriff. I will not pursue this until the new Sheriff comes into office; in respect of the new Sheriff he should be able to have an audit and give him a clean slate. Chairman Gouker states he and Sullivan talked about this between meetings today.

Oltmanns asks if they had a plan to reclaim the property of the Facebook page or was this \$4,000 expenditure lost. Chairman Gouker states this was discussed at the Executive Committee as well. Oltmanns asks again if we plan to reclaim the property since this page is still active but is invisible. Whoever owns the page can post anything on Facebook under the Ogle County Sheriff's Office name. Chairman Gouker was under the impression this was discontinued and will check with the Sheriff and ask that it be shut down.

Saunders asks if there is a way to recover or find the unaccounted funds. We don't know exactly how much is unaccounted for since there are missing records, but we do know it is in excess of \$11,000.00. Chairman Gouker states without records there is no trail. Chairman Gouker states he has a two page e-mail he sent to the Sheriff in asking him to

find the missing information. Saunders states does this mean that anyone who doesn't keep records doesn't have to be accountable for missing money. This money has to be somewhere and asks if will there be an investigation.

Hopkins states the board needs to take some of the blame for not setting up guidelines for this fund and left it as an open door policy. This ordinance was created to help alleviate his budget in case an unforeseen expenditure came up. We cannot blame the Sheriff entirely.

Welty states he agrees we should have setup a better process when this ordinance was adopted. But that does not relieve the Sheriff of the responsibility to handle cash or check transactions, record transactions and make deposits in a professional manor. These are normal operating controls; he is running a department of 160 people and in charge of millions of dollars of expenses going through his department. The Sheriff is to be accountable for setting up the process and obviously this didn't happen.

Chairman Gouker states the original ordinance gave the discretion to the Sheriff for the administrative fee only. We didn't give him the discretion beyond that. Just because it was written loose it didn't mean it's a license to push the envelope. You could say the board should share the responsibility, but it doesn't totally exonerate the activity of the Sheriff.

Typer asks Sullivan if we have exhausted every logical step to pursue this to the final destination; is there anything else to be gained in a further investigation or continuance in any manner. Sullivan states more work will probably just yield more frustration and questions because of the sloppy paperwork. Sullivan said he has talked to the Sheriff three times and the last time the report was almost done; we talked at length about the review and asked for explanations and none were offered.

Welty asks Sullivan to comment on the Sheriff's response to the missing \$13,674.98 Sullivan states he was completely flustered, frustrated and upset with the findings. Petrizzo states we are all frustrated since we have seen that the Sheriff's operation did not handle administratively a fund that was generating thousands of dollars. Petrizzo will speak for himself and paraphrase from a board position, "We assumed the Sheriff was going to care for his fiduciary responsibility. As board members we all have fiduciary responsibilities and the idiosyncrasy of the laws that apply to the board members and Sheriff's fiduciary responsibilities. Some of our good intentions cannot correct what was done. Petrizzo is very concerned that there was a lot of money passed through the Sheriff's hands or his office and we do not have an accounting for it. Petrizzo would like to look at changing legislation that might correct some of this for the State of Illinois.

Welty states in addition we have management reports issued from the auditing firm on an annual basis and there are a number of control issues which need to be resolved. The Finance Committee has been trying to tackle some of these issues for the past month.

Chairman Gouker presents the recommendations made by the Executive Committee:

- Accept the report and recommendations from Sikich and have them implemented and authorize Sikich be paid for their services – Welty moves to approve the recommendation, Nordman seconds and the motion carries on a voice vote.
- Require \$61,713.12 be transferred from the Administrative Tow Fee Fund into the General Fund; currently there is approximately \$31,000 to be transferred and future revenue will be transferred until the full amount is paid - Typer moves to approve the recommendation, Nordman seconds and the motion carries on a voice vote.

Hopkins asks if the money from Exelon to purchase cars is included in the amount of money to transfer. Chairman Gouker states yes it is. Hopkins doesn't think this money from Exelon should be transferred back into the General Fund since the money was to be used to purchase a car which the Sheriff did. Sparrow disagrees and says when the fund was set up it was strictly for an administrative fee, not money from IEMA, Exelon or anywhere else.

Typer has one last comment on behalf of the county employees and department heads who on an ongoing basis balance the accounts, drawers and transfer money as directed. We have a reputation as one of the best counties in the way we administrate our offices and this is an offense to those employees and department heads. This is an offense to the work that they do; we have good employees and department heads. We need to stand up and do what is right on their behalf.

- Explore the legality to transfer the function of the fee payment of this fund to another county office – Sparrow moves to approve the recommendation, Simms seconds and the motion carries on a voice vote.

Chairman Gouker echoes on the comment made by Typer and says this is an unfortunate stain upon Ogle County; there are a lot of good people in our departments and unfortunately the gross malfeasance of the public trust has smeared everyone. Chairman Gouker thanks the board for allowing the time to make sure we dug into this and to address and correct the situation.

Bowers states we have learned a valuable lesson and not let us setup a fund at anyone's discretion again.

Welty has another concern that tomorrow the Treasurer will transfer the money into the General Fund. However, this does not prevent the current Sheriff from ordering materials, buying products or other transactions from this fund at his discretion. Should we not be considering a motion to freeze on all disbursements on the account until such a time that the County Board is satisfied that internal controls are completed? Then at that time we can open that back up again. Welty sees this as a potential problem since there will be no money in the account. Chairman Gouker suggests based on the action taken tonight that Janes send the Sheriff an e-mail because the resolution passed to create the fund in April states: "that deposits to the Tow Fund, will be limited to only the Administrative Fee enacted by Ordinance 2011-1008, and that the oversight of deposits and expenditures of such fees to and from this Tow Fund will be the responsibility of the committee of the Ogle County Board." Chairman Gouker asks Janes since he is the Chairman of the Sheriff's Committee to e-mail the Sheriff and inform him of the action of the board tonight and no expenses should be encumbered against this account.

Saunders states it has been recommended in the audit that the other funds be placed through the Treasurer's Office and asks if this will be forth coming. Welty states he did make specific recommendations at the Finance Committee meeting last week which were approved by the committee stemming from the management letters comments from previous years. One of the motions dealt with the funds that are not on the general ledger in the Treasurer's Office and they should be included by the end of March 2015.

- Chairman Comments:
 - Chairman Gouker updates the board on the two tenants across the street whose lease is satisfied by the payment of property taxes; one has paid both installments and one has only paid one installment. As of 4:20 p.m. this evening the taxes have not been paid and a letter was sent on October 3, 2014 stating we expect him to pay this as soon as possible or contact us. Hopkins asks if this letter was sent by Certified Mail. Chairman Gouker states it was not.
- Vice-Chairman Comments:
 - We are glad to have McKinney back to the full regiment of meetings and Bowers being mobile as well after her surgery.

Unfinished Business –

Kenney states in light of the situation of the Administrative Tow Fee Fund and the findings, am I to understand that the board will let this whole situation die now and not take further action regarding the unknown answers which have been presented by the auditors. The people of the county are not going to be happy with this report. Chairman Gouker states that is why last month the draft report left more questions than it did answers. Chairman Gouker would entertain any suggestions for a solution to close this loop in a satisfactory way. Kenney states as the Chairman of the Board and as the leader of this body; that you should have had something to say.

Meyers says if he understands the audit there is no way to track anymore to find out where the money is.

New Business –

Communications –

- Sales Tax for July 2013 was \$24,769.53 and \$69,086.59
- Sales Tax for July 2014 was \$28,774.73 and \$73,011.61

Adjourn Meeting

At 7:20 p.m., Sparrow moves to adjourn the Ogle County Board Meeting until Monday, October 27, 2014 at 5:30 p.m. at the Ogle County Courthouse in Oregon. Colson seconds and the motion carries on a voice vote.

Chairman Kim P. Gouker
Ogle County Board

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

Proceedings of the Ogle County Board Meeting
Budget Hearing
October 27, 2014

State of Illinois)
County of Ogle) ss

Call to Order

Chairman Gouker calls the Ogle County Board Meeting to order at 5:36 p.m..

Roll Call

The roll call shows Griffin, Gronewold, Janes and McKinney are absent.

Presentation – FY2015 Ogle County Budget and Appropriations

Chairman Gouker presents the draft of the FY2015 Ogle County Budget and Appropriations and states this will lay on the counter in the County Clerk’s Office for public review for 15 days. Chairman Gouker highlights the following revenue changes:

- Page 1 - #3125 – Property Tax – has decreased slightly since the EAV in the County has decreased slightly.
- Page 1 – Long Range - Repairs and Planned Maintenance - \$492,500 – discussion during the Long Range Planning budget
- Page 1 – #3395 & #3396 - Circuit Clerk – Traffic Fines – the revenue has been on the decline and is being reduced
- Page 2 - #3425 – Sheriff – Jail Boarding – the revenue has been on the decline and is being reduced
- Page 2 - #3900-570 – Interfund Transfer in Dependent Children’s Fund – discussion during FOCUS House and Probation budgets
- Circuit Clerk has agreed to \$50,000 transfer which is not a change from last year

Chairman Gouker says the revenue increases \$309,680.05 (net) at the bottom of page 2 with most of the increase coming from the Interfund Transfer of the Dependent Children’s Fund.

Chairman Gouker reviews page 5 – FOCUS House – There is an agreement to transition the Dependent Children’s Fund revenue to offset the higher expenses that will now come out of the General Fund. This will help the county track how much this program actually costs. It has been agreed with Director of Court Services Ken Burn to transition from the Dependent Children’s Fund – salaries and other line items will be paid out of the Dependent Children’s Fund. This is why you see an increase in this department. The \$250,000 Interfund Transfer from the Dependent Children’s Fund will be used to offset the expenses.

Chairman Gouker comments FOCUS House has an addition that was built about 10 years ago. There was an agreement between FOCUS House and the County Board that the costs for the building would come from the Dependent Children’s Fund. There is a note on the property which is down to \$79,000; it is a balloon note due the first of November. Chairman Gouker suggested to Burn to appropriate the money to be paid from the Dependent Children’s Fund next year, so there is no debt. Burn has contacted the bank and they have agreed to wait 30 days until the 2015 budget year.

Chairman Gouker reviews page 24 in regards to the Additional Fund Appropriations (NOTE: they are off one line). Saunders states at one time the utilities and food for FOCUS House were paid from the Dependent Children’s Fund, where will that come from? Chairman Gouker stated it will continue to come from the Dependent Children’s Fund until next year when it will be transitioned into the General Fund. The out of county placements will also go into the General Fund. We are trying to get a handle on the cost of running the program.

Chairman Gouker goes to the Footnote listed on page 8: “The FY2015 Budget represents the beginning of a transfer of expenditures made from the Dependent Children’s Fund for the

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Probation and FOCUS House departments to eventually all be transferred to the General Fund. In the FY2015 Budget, this transition is completed for all of the General Fund line items of the FOCUS House budget, as shown on Page 5. Starting FY2015, for the line items shown in the General Fund budget for FOCUS House, all expenditures will be made in the General Fund budget, and none will be made from the Dependent Children's Fund. The budgeted line items shown for FY2015 reflect the amount to be expended, and will not correlate directly with the FY2014 Budget, as that year has expenditures budgeted that were only being spent from the General Fund. The Actual FY2014 YTD as of 9/30/2014 and FY2013 Final Amt. columns have been adjusted by combining the actual expenditures from both the General Fund and the Dependent Children's Fund."

Saunders says when the Dependent Children's Fund started it was passed by a resolution passed by the County Board. Chairman Gouker states the Dependent Children's Fund was started from a Judge's order. We were able to find a reference to an Administrative Order by Judge Rapp in about 1991 or 1992 and that is how the fund was created. Saunders was under the impression by Judge Hansen we need to have the County Board vote on the transfer of Dependent Children's funds. Chairman Gouker states that is what we are doing.

Chairman Gouker reviews page 7 – under Health Insurance there is no change and reviews information regarding the insurance reserves. It has been suggested by a department head to use money from the Long Range Fund to build up the insurance reserves. It has been suggested by Treasurer Coffman to use the money as a line of credit. Instead of a 10% health insurance increase it would only be a 5% increase and the \$1,500 deductible would have a 5% reduction in premium.

Welty states the real issue is that the last 3 or 4 years the board has underfunded the reserves through lower premiums to save the county budget and the rate of the employees' health insurance. This money should not be taken out of Long Range we should start raising the rates on the employee and employer rates in the future. Chairman Gouker will relay this to the labor attorney. The recommendation from the committee is to pass along the increases as necessary. We need to have enough to pay any claims that come under the laser, which we have not had comments Chairman Gouker. Welty states the Health Insurance topic is a very challenging topic with massive changes because of Obamacare and this will not be an easy problem to solve. Chairman Gouker states because we have the dual deductibles we are recommending the premium increase change January 1st instead of December 1st, to coincide with the deductible change.

Kenney asks if we have a current contract with the FOP. Chairman Gouker states no not with the FOP, we have a tentative agreement.

Chairman Gouker refers to page 9 – Summary of Revenue:

Account#	Category	Proposed FY2015 Budget	Change from FY2014 to FY2015	Final FY2014 Budget	FY2014 YTD as of 9/30/2014	Actual FY2013 Final Amount
DEPT. 00	NON-DEPARTMENTAL TOTALS	10,539,500.00	517,314.05	10,022,185.95	9,332,423.66	9,528,850.50
DEPT. 01	COUNTY CLERK/RECORDER TOTALS	22,750.00	250.00	22,500.00	21,575.00	23,075.00
DEPT. 03	COUNTY TREASURER TOTALS	6,000.00	-2,000.00	8,000.00	4,465.15	6,808.10
DEPT. 06	JUDICIARY & JURY TOTALS	46,500.00	6,500.00	40,000.00	30,512.40	45,863.42
DEPT. 07	CIRCUIT CLERK TOTALS	1,057,500.00	-110,000.00	1,167,500.00	797,971.61	1,221,028.58
DEPT. 08	PROBATION TOTALS	477,817.00	75,021.00	402,796.00	416,758.00	380,368.00
DEPT. 09	FOCUS HOUSE TOTALS	390,000.00	254,950.00	135,050.00	105,450.00	0.00
DEPT. 10	ASSESSMENT TOTALS	40,000.00	7,500.00	32,500.00	31,434.52	38,024.60
DEPT. 11	ZONING TOTALS	40,000.00	0.00	40,000.00	33,940.69	35,055.56
DEPT. 12	SHERIFF TOTALS	1,084,100.00	-425,500.00	1,509,600.00	743,739.58	973,512.29
DEPT. 13	CORONER TOTALS	250.00	0.00	250.00	0.00	0.00
DEPT. 14	STATE'S ATTORNEY TOTALS	175,000.00	+14,355.00	189,355.00	148,172.95	192,104.71
TOTAL	REVENUE	13,879,417.00	309,680.05	13,569,736.95	11,666,443.56	12,444,690.76

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Summary of Expenses:

SUMMARY EXPENSES						
Account #	Category	Proposed FY2015 Budget	Change From FY2014 to FY2015	Final FY2014 Budget	FY2014 YTD as of 9/30/2014	Actual FY2013 Final Amount
DEPT. 00	NON-DEPARTMENTAL TOTALS	0	0	0	0	0
DEPT. 01	COUNTY CLERK/RECORDER TOTALS	479,736.00	-37,386.00	517,122.00	359,901.82	446,101.79
DEPT. 02	BUILDING & GROUNDS TOTALS	1,162,093.00	-221,824.96	1,383,917.96	655,374.68	815,681.81
DEPT. 03	COUNTY TREASURER TOTALS	198,099.00	6,17.00	191,282.00	146,937.63	180,817.21
DEPT. 04	HEW TOTALS	186,480.00	16,165.00	170,315.00	157,478.64	163,257.96
DEPT. 06	JUDICIARY & JURY TOTALS	307,223.00	-7,494.84	314,717.84	276,109.46	311,658.51
DEPT. 07	CIRCUIT CLERK TOTALS	566,500.00	13,949.00	580,449.00	474,751.50	567,700.94
DEPT. 08	PROBATION TOTALS	670,000.00	24,896.00	645,104.00	465,511.58	623,745.00
DEPT. 09	FOCUS HOUSE TOTALS	1,247,550.00	269,651.00	977,899.00	1,021,055.47	1,104,397.74
DEPT. 10	ASSESSMENT TOTALS	274,969.00	27,619.00	247,350.00	192,856.69	237,505.13
DEPT. 11	ZONING TOTALS	173,136.00	3,116.00	170,020.00	129,085.82	150,323.10
DEPT. 12	SHERIFF TOTALS	3,565,524.00	10,703.20	3,554,820.80	2,709,820.80	3,332,733.62
DEPT. 13	CORONER TOTALS	201,048.00	5,856.00	195,192.00	150,208.77	189,705.89
DEPT. 14	STATE'S ATTORNEY TOTALS	676,075.00	-48,097.00	724,172.00	521,434.17	669,653.03
DEPT. 15	INSURANCE TOTALS	1,661,454.00	0.00	1,661,454.00	1,323,542.40	1,327,559.60
DEPT. 16	FINANCE TOTALS	524,749.17	-22,334.26	547,083.43	288,179.73	531,332.06
DEPT. 22	CORRECTION TOTALS	1,909,204.00	59,125.67	1,850,078.33	1,529,974.01	1,742,133.60
	TOTAL EXPENSES	13,803,840.17	72,862.81	13,730,977.36	10,401,458.20	12,394,306.99
	DIFFERENCE	75,576.83	236,817.24	-161,240.41	1,264,985.36	50,383.77

Saunders comments on the \$2,000 increase of the #4250-30 Economic Development Dues listed on page 7. Are we joining another Economic Development group? Chairman Gouker states yes. The Rockford Area Economic Development Corporation we voted on a couple of months ago. Saunders asks if we should increase #4250-60 Northwest Illinois Criminal Justice since the last 2 years it has been over \$3,000. Chairman Gouker will find out what the actual expenditure was and if it needs to be increased, then yes it will be.

Chairman Gouker goes to page 10 to review the Non-General Funds:

Fund 150 - Social Security increased \$25,000.00 based on the Treasurer's recommendation
 Fund 160 – IMRF – increased \$45,000.00

Chairman Gouker goes to page 11 to review the expenditures of Fund 180 - Long Range Planning:

- #4600 – Courthouse Tuckpointing and Sealing - \$150,000.00
- #4220 – Highway Department Storage Building - \$125,000.00
- #4220 – County Facilities Assessment Plan - \$150,000.00
- #4220 – County Vehicle Revolving Purchase Fund Transfer - \$250,000.00
- #4220 – Computer Equipment Upgrades - \$150,000.00
- Will be adding a line to appropriate \$750,000.00 – Fund 300 - Insurance Hospital Medical Line of Credit
- #4220 – Ogle County Emergency Operations Center Elevator - \$150,000.00
- #4220 – Property Purchase (Campus Plan) - \$150,000.00
- #4220 – Demolish old Sheriff's Administration Building - \$450,000.00
- #4220 – Sheriff/Coroner Administration Building - \$2,500,000.00 – balance on current project
- #4220 – Contingencies - \$100,000.00
- #4220 – Planned Maintenance – Courthouse Floor and Entrance Stairway - \$75,000.00

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#4220 – Planned Maintenance – Pines Road Annex roof - \$125,000.00

#4220 – Planned Maintenance – Courthouse & Judicial Center Elevators - \$17,500.00 – 10 year service agreement

FY2015 Budget Summary & Approvals	FY2015 Budget Amount		FY2014 Budget Amount	
	APPROPRIATION	LEVY	APPROPRIATION	LEVY
ANIMAL CONTROL FUND	175,256.00	0.00	169,275.00	0.00
BOND FUND	0.00	0.00	0.00	0.00
CO-OPERATIVE EXTENSION SERVICES	140,000.00	0.00	140,000.00	0.00
COUNTY BRIDGE FUND	1,998,544.00	759,508.00	1,577,278.00	761,111.00
COUNTY GENERAL FUND	13,803,840.17	4,055,000.00	13,730,977.36	4,073,000.00
COUNTY HIGHWAY FUND	2,301,921.00	1,519,016.00	2,596,628.00	1,522,222.00
COUNTY HIGHWAY ENGINEERING FUND	20,000.00	0.00	20,000.00	0.00
FEDERAL AID MATCHING FUND	2,873,010.00	759,508.00	2,301,282.00	761,111.00
GIS COMMITTEE FUND	135,777.00	0.00	275,260.00	0.00
IMRF FUND	1,945,000.00	1,895,000.00	1,900,000.00	1,850,000.00
INSURANCE PREMIUM LEVY FUND	700,000.00	0.00	700,000.00	0.00
LONG RANGE PLANNING FUND	4,326,350.00	0.00	3,433,500.00	0.00
MENTAL HEALTH FUND	812,000.00	815,000.00	807,500.00	810,000.00
MOTOR FUEL TAX FUND	1,512,319.00	0.00	1,464,189.00	0.00
SENIOR SOCIAL SERVICES FUND	215,644.00	212,000.00	208,700.00	212,000.00
SOCIAL SECURITY FUND	900,000.00	825,000.00	875,000.00	800,000.00
SOLID WASTE FUND	3,647,434.00	0.00	2,981,312.00	0.00
TB CARE & TREATMENT FUND	34,006.00	34,080.00	34,006.00	34,080.00
WAR VETERANS FUND	75,000.00	75,000.00	75,000.00	75,000.00
SUBTOTAL	35,616,101.17	10,949,112.00	33,289,907.36	10,898,524.00
ADDITIONAL FUND APPROPRIATIONS	3,313,530.00	0.00	3,183,530.00	0.00
TOTAL APPROPRIATIONS & LEVIES	38,929,631.17	10,949,112.00	36,473,437.36	10,898,524.00

Chairman Gouker reviews the following:

- Page 26 and Page 27 the titles are shifted one line up – The iFiber fund is missing between the Long Range Capital Improvement and Bond Fund line items.
- Page 28 – Three Year Summary
- Page 29 – Five year Long Range Capital Fund Expenses

Meyers asks Chairman Gouker if the new State’s Attorney and Sheriff were able to have input on this budget. Chairman Gouker states yes they were involved.

Chairman Gouker states the final revision will be presented at the November 12, 2014 Finance Committee Meeting.

Public Comment - none

Adjourn Meeting

At 6:31 p.m., Sparrow moves to adjourn the Ogle County Board Meeting until Tuesday, November 18, 2014 at 5:30 p.m. at the Ogle County Courthouse in Oregon. Bowers seconds and the motion carries on a voice vote.

Chairman Kim P. Gouker
Ogle County Board

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

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