COMMITTEE REPORT

COMMITTEE: **Finance, Tax & Budgets Committee / Budget Review**
CHAIRPERSON: **John Schultz, Chairman**
DATE/TIME: **August 29, 2024 at 6:00 p.m.**

PRESENT: ☒ John Schultz ☒ John Creighton ☒ Michael Holt
☒ John Lang zoom ☒ Diane Gallagher ☒ Don Zillig zoom
☒ LaDon Trost

Other Board members: Michael Dittmar

Others: Angela Kaiser, Tessa Moore, Laura Edmonds, Tammy Cahill and Melisa Hammer. Aaron Mercier, Regional Superintendent of Schools, attended via zoom.

1. **Call to Order –** Chairperson John Schultz called the meeting to order at 6:00 pm.
2. **Roll Call –** A quorum was established.
3. **Approval of Minutes –** There were no minutes in the packet to approve.
4. **Citizens Comments –** Michael Dittmar asked some questions about the Courthouse Renovation Project. He handed out some material that was from the Village of Elizabeth when he was the mayor. He was hoping to get updates and cost analysis given to the Board in a similar template as the Village one. Angie Kaiser explained to him that we have Conlon as our Construction Manager and that things are a lot more complex since there are multiple contractors that are being managed by Conlon. Kaiser is working on a way to update the Board on regular updates and current issues revolving the Courthouse Renovation.
5. **Unfinished Business**
   a) **FY2023/FY2024 Strategic Goals and Plans –** The committee did not review their Strategic Goals and Plans at this time.
6. **New Business**
   a) **Discussion and possible action on the FY2025 Health Insurance Renewal with Medical Associates Health Plans as presented (Possible recommendation by the Ad-Hoc Health Insurance Committee, meeting of August 29, 2024) –** Kaiser presented the committee with literature in the meeting packet. This year's increase is not as high as last year's. Last year we had about an 18.4% increase. For FY2025, the increase is 9.3%. There was more discussion. **Schultz made a motion to approve the FY2025 Health Insurance Renewal with Medical Associates Health Plans as presented. Seconded by Gallagher and motion carried following a voice vote resulting in all Ayes.**

   b) **Discussion and possible action on the FY2025 Employee Voluntary Dental Insurance (Postponed recommendation by the Ad-Hoc Health Insurance Committee, meeting of August 29, 2024) –** This item was postponed, pending additional research.

   c) **Discussion and possible action on the FY2025 Employee Voluntary Aflac Group Insurance Benefits (Postponed recommendation by the Ad-Hoc Health Insurance Committee, meeting of August 29, 2024) –** This item was postponed, pending additional research.

d) **Discussion and possible action on the FY2025 Health Insurance Premium Allocation Policy (Possible recommendation by the Ad-Hoc Health Insurance Committee, meeting of August 29, 2024) –** Before there could be any action on the current item, the committee it was necessary to move ahead to item 6.e. Kaiser explained that the policy for FY2025 shows the only thing that is changing are the amounts that are paid for the renewal. The County pays 100% of single coverage and 80% of family coverage. It has some wording in there about the County's HSA contribution and the family coverage portion will now be altered to $3,200. **Schultz made a motion to approve the FY2025 Health Insurance Premium Allocation Policy as presented. Seconded by Gallagher and motion carried following a voice vote resulting in all Ayes.**

e) **Discussion and possible action on the FY2025 Employer HSA Contribution Amounts/Timing of Payments (Possible recommendation by the Ad-Hoc Health Insurance Committee, meeting of August 29, 2024) –** Kaiser explained to the committee, that because of the collective bargaining agreements, any employee represented by a union, that takes the County's family insurance, will be getting $3,200 for their HSA amount since the deductible is increasing - verbiage in the contracts say that the Employer HSA Contribution needs to match half of the deductible amount. She raised the question of whether the Board would like to pass that on to the non-union employees of the County. The additional increase for the General Fund for one year is $4,400. She noted how that expense will be recurring. Gallagher asked if this is required. Kaiser explained that we have to do it for the contract holders, but it isn't required across the board. The committee decided that they would like to keep things fair for everyone. **Gallagher made a motion to approve the FY2025 Employer HSA Contribution Amounts/Timing of Payments to $3,200 for employees who elect family insurance. Seconded by Holt and motion carried following a voice vote resulting in all Ayes.** At this time, the committee moved back to item 6.d. to move and have discussion.

f) **Discussion and possible action on the FY2025 Alternative Insurance Assistance Program Policy (Postponed recommendation by the Ad-Hoc Health Insurance Committee, meeting of August 29, 2024) –** This item was postponed pending additional research.

g) **Discussion and possible action on the FY2025 Voluntary Employee Furlough Program (Possible recommendation by the Ad-Hoc Health Insurance Committee, meeting of August 29, 2024) –** The committee discussed the Voluntary Employee Furlough Program. While we do not have many, if any, that use furlough, it is a nice option to have if someone needs to be away from work after an illness, injury or family emergency, and they have run out of vacation time and/or sick time. **Creighton made a motion to approve the FY2025 Voluntary Employee Furlough Program as presented. Seconded by Holt and motion carried following a voice vote resulting in all Ayes.**

h) **Discussion and possible action on a Resolution to Amend the Insurance Fund Description and Pay Claims for the Insurance Fund (017) from the Contingency Fund (016) for the Remainder of FY2024 –** Kaiser explained the Resolution that was included in the meeting packet. Since we have run out of money in the Insurance Fund, we need to ensure that claims can still be paid on a timely basis. The desire is to avoid amending the FY2024 Budget this close to the end of our fiscal year. There is a $5,000 deductible, so anything that happens up to that threshold is paid out of the Insurance Fund. Any additional deductible claims will need to be paid out of the Contingency Fund for the remainder of fiscal year. For FY2025, we have increased the budget amount and are amending the fund description for the Insurance Fund to state, that deductibles more than

$1,000, up to $5,000, will be paid from the Insurance Fund. Anything under the $1,000 threshold will need to come from the individual department's budget. **Schultz moved to pass a Resolution to Amend the Insurance Fund Description and Pay Claims for the Insurance Fund (017) from the Contingency Fund (016) for the Remainder of FY2024. Seconded by Gallagher.** The fund description in the packet was incorrect and still needed to be amended**,** adding the threshold amounts. **Schultz moved to amend the motion to include an amended fund description. Seconded by Gallagher and motion carried.**

i) **Discussion and possible action on establishing an Indemnity Fund (092) and Fund Description for the FY2025 Budget –** Melisa Hammer joined the meeting and explained her desire to establish an Indemnity Fund with a Fund Description. There was much discussion. **Schultz made a motion to approve establishing an Indemnity Fund (092) and Fund Description for the FY2025 Budget. Seconded by Holt and motion carried following a voice vote resulting in all Ayes.**

j) **Discussion and possible action on a Resolution Establishing Additional Compensation during a County Administrator Employment Search –** LaDon Trost, County Board Chairperson, explained the reasoning for additional compensation during the County Administrator Employment Search. The Chief Deputy County Clerk and the Financial Administrative Manager have taken on additional duties and it could be a stressful time finding an Administrator. There isn't a timeline for how long the search could take and while other departments have their busy seasons, right now is extremely busy for the County Clerk's office with the upcoming election, and the County Administrator's office in the midst of the Budget Process. This Resolution will give the County Clerk as acting County Administrator, a daily stipend - and will also temporarily raise the grade of the Chief Deputy County Clerk and the Financial Administrative Manager positions, from a Grade 9, to a Grade 12, until a County Administrator can be hired and trained. **Gallagher made a motion to approve a Resolution Establishing Additional Compensation during a County Administrator Employment Search, as presented. Seconded by Holt and motion carried following a voice vote resulting in all Ayes.**

k) **Review and Summary of the FY2025 Budget Process to Date –** Kaiser explained the Procedures for Joint Committee Budget Review Meetings that was included in the meeting packet. Since this meeting will only have Finance Committee budgets, any member can make the motion and/or second it.

l) **Budget Review Session with Finance, Tax & Budgets Committee**

i) **Regional Superintendent of Schools (Finance, Tax & Budgets Committee)**

(i) Regional Superintendent of Schools (001-44159) – GF – Aaron Mercier attended via zoom. He spoke to the committee about the Regional Office of Education's budget for the upcoming fiscal year. **Gallagher made a motion to move forward budget 001-44519, Regional Superintendent of Schools, in the amount of $46,303.07, to the draft budget document. Seconded by Schultz and motion passed.**

ii) **County Treasurer (Finance, Tax & Budgets Committee)**

(i) County Treasurer (001-40104) – GF – Because of the motion from earlier in the meeting regarding the HSA payment increase, there needs to be an additional $400 added to the target amount for this budget. **Schultz made a motion to move forward budget 001-40104, Treasurer, with a $400**

increase in the target amount, for a total amount of $386,638.45. Seconded by Holt and motion passed.

(ii) Tax Extension (001-40105) – GF – Hammer explained her mandatory expense request to increase the budget for professional services. She is asking for a recurring increase of $2,200 to her target amount. It is mandated that tax bills be mailed to each individual parcel owner and that notices of tax sales be mailed to the parcel owner as an e-certified mailing. The $2,200 was calculated with the recent postage increase – for around 22,000 parcels, at $0.10 of an increase per parcel. **Schultz made a motion to move forward budget 001-40105, Tax Extension, with a $2,200 recurring mandatory increase in the target amount, for a total amount of $22,800, to the draft budget document. Seconded by Holt and motion passed.**

(iii) *Treasurer Automation Fund (047) – SF* – **Gallagher made a motion to move forward budget 047, Treasurer Automation Fund, along with the fund description, in the amount of $7,500, to the draft budget document. Seconded by Trost and motion passed.**

(iv) *Sale in Error Fund (065) – SF* – **Gallagher made a motion to move forward budget 065, Sale in Error Fund, along with the fund description, in the amount of $100,000, to the draft budget document. Seconded by Schultz and motion passed.**

(v) *American Rescue Plan Fund (086) – SF* – This fund was discussed in detail. This is the last year we are able to use any money in the fund and while we have been using this to pay for the Courthouse Renovation, the money will soon be gone. There should be about $38,000 remaining that can be transferred to another fund. It was earmarked at one time for a cost fee study, but it never was utilized. The $38,000 is not ARPA money, but it's from an LATCF grant. Trost asked if we could transfer the money into another fund and just close Fund 086. It was decided that it would be best utilized in the Courthouse Renovation Fund (088). **Trost made a motion to move forward budget 086, American Rescue Plan Fund as amended, to include an Interfund Transfer allocating the $38,000 to a revenue line in the Courthouse Renovation Fund (088), along with the fund description, in the amount of $38,000, to the draft budget document. Seconded by Schultz and motion passed.**

(vi) Grants Administrator (001-40113) – GF – **Gallagher made a motion to move forward budget 001-40113, Grants Administrator, in the amount of $86,062.90, to the draft budget document. Seconded by Schultz and motion passed.**

iii) County Assessment (Finance, Tax & Budgets Committee)

(i) Chief County Assessment Officer (001-40108) – GF – Edmonds is asking for a non-recurring increase of $2,400 to her target amount in 001-40108, Chief County Assessment Officer. She needs two new computer workstations for the Assessment office's public stations to be in compliance with County standards and to provide better protection from cyber-attacks. Because of the motion from earlier in the meeting regarding the HSA payment increase, there also needs to be an additional $400 added to the target amount for this budget, on top of the mandatory increase request. **Gallagher made a motion to move forward budget 001-40108, Chief County Assessment Officer, with a $400 increase in the target amount for the HSA contribution increase, and a non-recurring, mandatory increase of $2,400 to the target amount, for a total increase of $2,800 to the target amount, for a total amount of $462,995. Seconded by Trost and motion passed.**

(ii) Board of Review (001-40109) – GF – Edmonds is also asking for a non-recurring increase of $3,000 to her target amount in 001-40109, Board of Review. Five new laptops for the Board of Review members are needed to be in compliance with County standards, and to provide better protection from cyber-attacks. The total cost of the laptops is projected to be around $5,000, of which $2,000 will be paid from the Capital Equipment Fund to help offset the total cost. These increase requests will be memorialized earlier in the agenda with the action items for Tax Extension 001-40105, Chief County Assessment Officer 001-40108 and Board of Review 001-40109 **Schultz made a motion to move forward budget 001-40109, Board of Review, with a $3,000 non-recurring mandatory increase in the target amount, for a total amount of $20,966, to the draft budget document. Seconded by Holt and motion passed.**

iv) Other Budgets (Finance, Tax & Budgets Committee)

(i) Miscellaneous (001-40112) – GF – This budget was postponed to the next Joint Budget Review meeting that will be held on September 5th. There is more research that needs to be completed in regards to the postage meter.

(ii) *Social Security (012) – SF –* **Gallagher made a motion to move forward budget 012, Social Security Fund, along with the fund description and minimum fund balance policy, in the amount of $481,967.13, to the draft budget document. Seconded by Schultz and motion passed.**

(iii) *IMRF (013) – SF –* **Trost made a motion to move forward budget 013, IMRF, along with the fund description and minimum fund balance policy, in the amount of $678,588.96, to the draft budget document. Seconded by Schultz and motion passed.**

(iv) *Contingency Fund (016) – SF –* This budget was postponed to the next Joint Budget Review meeting that will be held on September 5th.

(v) *Insurance (17) – SF –* This budget was postponed to the next Joint Budget Review meeting that will be held on September 5th.

(vi) *Capital Investment (042) – SF –* This budget was postponed to the next Joint Budget Review meeting that will be held on September 5th.

(vii) *Capital Equipment Replacement (048) – SF –* **Schultz made a motion to move forward budget 048, General Capital Equipment Replacement Fund, along with the fund description, in the amount of $200,762, to the draft budget document. Seconded by Holt and motion passed.**

(viii) *Veterans Assistance Program (083) – SF –* **Creighton made a motion to move forward budget 083, Veterans Assistance Program Fund, along**

with the fund description, in the amount of $22,368, to the draft budget document. Seconded by Gallagher and motion passed.

(ix) *Courthouse Renovation Fund (088) – SF –* There was much discussion on the Courthouse Renovation Fund. Kaiser presented the committee with a simplistic spreadsheet, with a breakdown of revenues from each fiscal year, and a breakdown of expenditures. She also included the cash balance of the fund, as well as anticipated expenditures, using projected expenses given to the County by Shive-Hattery. The Administrator's office is waiting on final numbers for FY2025. This budget was postponed to the next Joint Budget Review meeting that will be held on September 5th.

(x) *Courthouse Bond Payment Fund (089) – SF –* **Schultz made a motion to move forward budget 089, Courthouse Bond Payment Fund, along with the fund description, in the amount of $595,047.50, to the draft budget document. Seconded by Holt and motion passed.**

m) Discussion and possible action to approve Mandatory/Necessary Expense Requests to increase/decrease FY2025 Budget Target Amounts – Since the Finance, Tax & Budgets Committee is only parent committee for the budgets that were being presented, the members voted on the Mandatory/Necessary Expense Requests earlier in the meeting during the presentations of the respective budgets.

n) Review Unfunded Requests and possible action to move them forward to the FY2025 Unfunded Request List – There were no Unfunded Requests included in the packet.

7. Staff Reports

a) Chief County Assessment Office – Laura Edmonds was present to give her monthly report. There is currently $11,550,000 in new construction. There are a lot of factors this year regarding assessments. She spoke of her frustration on the assessment process.

b) Treasurer's Office – Melisa Hammer presented her report. Real estate tax collections has been busy with the second installment due date coming up quickly. The third distribution was scheduled for today. She spoke about the Indemnity Fund and establishing that as a special fund. There is a $20 Indemnity Fee that's added to each tax sale parcel for revenue. She also mentioned how the deadline that was in the mailed letter to Country Inn & Suites in Stockton, has passed and there has been no response. The last item that Hammer touched on was that the Treasurer's office was informed that US Bank has been denying customers the option to pay taxes at the Galena location. Because of that, she has withdrawn the fund balance and closed the collector account there. The Galena branch is scheduled to close in October.

c) Grants Administrator – Tammy Cahill presented her monthly report. She is still working with Sheriff Turner on the CPF Radio Project being funded by a grant through Darin LaHood's office. She has been working on the budgets for EMA within the General Fund and also the Hazard Mitigation Fund. She touched on some of the grants work she has been doing the past month.

d) County Administrator – Angela Kaiser, who is anticipating on assuming the interim County Administrator position starting next week, touched on a lot information during her presentation of the special fund budgets earlier in the meeting.

8. Citizens' Comments – None.

9. **Board Member Concerns –** John Lang dislikes zoom. There were some technical difficulties that will be ironed out by the next meeting. Creighton talked about inspections. He said at the appropriate time, it would be a good idea to do an audit of our past guest accommodations inspections and ensure they were done properly. Kaiser mentioned how we could potentially do a survey for Guest Accommodations Licensees. Gallagher said that she appreciates talk of a survey being done. Hammer asked that she be involved when doing anything with guest accommodations. Edmonds mentioned how she could help out with a QR Code to put on a the surveys.

The next Finance, Tax & Budgets Committee meeting will be on Thursday, September 26th, 2024 at 6:00 p.m.

Lang made a motion to adjourn at 8:36 pm. Seconded by Trost and motion carried.