

COMMITTEE REPORT

COMMITTEE: Finance, Tax & Budgets
CHAIRPERSON: RJ Winkelhake, Vice-Chairman
DATE/TIME: September 29, 2016 @ 6:00 p.m.

PRESENT: John O'Boyle Rick Dittmar Randy Jobgen
 John Lang RJ Winkelhake Ron Smith
 Merri Berlage (6:10 pm)

Other Board members:

Others: Melisa Hammer, Donna Berlage, Dan Reimer and Tim Wand.

1. **Call to Order** – RJ Winkelhake, Vice-Chairman, called the meeting to order at 6:00 pm.
2. **Roll Call** – A quorum was established.
3. **Review and approve minutes** – **Rick Dittmar made a motion to approve the July 28, 2016 Finance, Tax & Budgets Committee meeting minutes as presented. Seconded by Randy Jobgen and motion passed.**

Rick Dittmar made a motion to approve the August 25, 2016 Finance, Tax & Budgets Committee meeting minutes as presented. Seconded by John O'Boyle and motion passed.

4. **Citizens Comments** – None

5. Unfinished Business

- a) FY2015/FY2016 Strategic Goals & Plans – Nothing new to report at this time.
- b) Update on options to maintain the Public Safety Radio Communications System – Winkelhake reported that the new communication system has been operating well; however there was a recent situation in which a part of the old system experienced some problems. Parts are no longer available; however the company who maintains our system does have some spare parts and was able to replace some of the switches. A plan will be developed to replace the remaining parts of the old system.
- c) Discussion on proposed Courthouse office space layout – Nothing new to report at this time.

6. New Business

- a) Discussion and possible action on proposals received for Professional Audit Services – Dan Reimer, County Administrator, discussed the Audit RFP. Four proposals were received and all of the firms have experience with County audits. Reimer reviewed a bid tally sheet and summary spreadsheet of the audit services that were requested. Copies of each proposal were distributed for Committee review. Wipfli LLP was the low proposal; CliftonLarsonAllen was second low proposal, followed by Baker Tilly and Sikich LLP. **Rick Dittmar made a motion to establish an Audit Interview Committee to interview the two low bidders, Wipfli LLP and CliftonLarsonAllen LLP and appoint Sharon Wand, Jean Dimke, Dena Brown, Tammy Cahill, Angie Kaiser, Sandy Bloom, Melisa Hammer, Mary Althof, Randy Jobgen and Dan Reimer to the Committee. Seconded by John O'Boyle and motion passed.**

- b) Discussion and possible action on a request from the Sheriff's Department to hire an additional Deputy Officer – Lt. Tim Wand reviewed a letter from Sheriff Turner regarding a request to hire an additional full-time Deputy Sheriff. This position would assist with investigations, specifically narcotics. This item was referred to the Executive Committee because from the Law & Courts Committee, currently there is no funding available for this position. The committee reviewed a cost analysis worksheet comparing the expenses associated with hiring a new Deputy Sheriff compared to hiring a Court Security Officer. The Court Security position is in the current FY2016 budget; however the position has not yet been filled. After much discussion, Dan Reimer, County Administrator, suggested that the request be placed on unfunded list for FY2017 and considered by the County Board at the Budget Workshops in October. **Merri Berlage made a motion to move the request from Sheriff Turner for an additional Deputy Sheriff position, at a cost of \$70,836, to the FY2017 unfunded list. Seconded by Ron Smith and motion passed. A nay vote was recorded for Randy Jobgen.**
- c) Discussion and possible action on County trustee taking title of mobile homes from mobile home tax sales – Melisa Hammer, Treasurer, discussed that she has concerns with selling mobile homes at the tax sale because many of them may not sell and will be picked up by the trustee. Once the trustee has them for three years normally a parcel would go to deed. Does the County want to take title to mobile homes? Currently there are 29 mobile home owners who are delinquent on their mobile home tax. Angie Kaiser, Deputy Circuit Clerk, discussed that because a mobile home is considered a vehicle we do not take deed to it like a parcel. We get a title for it just like you do a car. There are six delinquent mobile homes that do not have a VIN number, therefore we cannot take title on them and cannot sell them. It is going to create a whole separate redemption system on the Clerk's side. At the tax sale, taxes are sold on real estate. This would be a separate type of tax sale. Options include letting them go on as forfeiture or have the trustee pick them up and go through the process of taking title. **Randy Jobgen made a motion that the County does not want the trustee to pick up delinquent taxes on mobile homes at the tax sale. Seconded by John O'Boyle and motion passed.**
- d) Discussion and possible action regarding the renewal of FY2017 Property & Casualty Insurance and Workers Compensation Insurance with Illinois Counties Risk Management Trust (ICRMT) at a total premium amount of \$318,352 – Dan Reimer reviewed the renewal proposals from ICRMT for property and casualty insurance and workers compensation insurance. The actual renewal amount is \$318,352. This is an overall decrease of \$4,620 or 1.4% less than the FY2016 premium amount of \$322,972. **John Lang made a motion to renew the FY2017 Property & Casualty Insurance and Workers Compensation Insurance with Illinois Counties Risk Management Trust (ICRMT) at a total premium amount of \$318,352. Seconded by John O'Boyle and motion passed.**
- e) Discussion and possible action on a recommendation from the Ad-Hoc Health Insurance Committee to approve the renewal of Group Health Insurance for FY2017 with Medical Associates, HMO Health Insurance Plan \$25/\$500 co-pay, \$15/\$30 RX card, \$3,000/\$6,000 OPM, effective 12/01/16 with a 8.81% premium increase: single premium of \$753.83/month and a family premium of \$1846.92/month – Dan Reimer reviewed a medical benefits and cost comparison report for Jo Daviess County including health insurance quotes from BCBSIL. The recommendation from the Ad-Hoc Health Insurance

- Committee is to offer a health insurance plan for FY2017 that would include renewal of the current HMO health insurance plan from Medical Associates. **Randy Jobgen made a motion to approve the renewal of Group Health Insurance for FY2017 with Medical Associates, HMO Health Insurance Plan \$25/\$500 co-pay, \$15/\$30 RX card, \$3,000/\$6,000 OPM, effective 12/01/16 with a 8.81% premium increase: single premium of \$753.83/month and a family premium of \$1846.92/month. Seconded by Rick Dittmar and motion passed.**
- f) Discussion and possible action on a recommendation from the Ad-Hoc Health Insurance Committee to approve the renewal of an optional high deductible 2000/4000 embedded deductible health insurance plan from Medical Associates with a single premium of \$556.06/month and a family premium of \$1362.37/month – Dan Reimer discussed the Health Saving Account (HSA) plan option that was recommended by the Ad-Hoc Health Insurance Committee. The plan is a Medical Associates HSA qualified plan with a \$2000 single/\$4000 family imbedded deductible. **Merri Berlage made a motion to approve the renewal of an optional high deductible 2000/4000 embedded deductible health insurance plan from Medical Associates with a single premium of \$556.06/month and a family premium of \$1362.37/month. Seconded by John O’Boyle and motion passed.**
- g) Discussion and possible action on a recommendation from the Ad-Hoc Health Insurance Committee to approve a county (employer) contribution of \$800 for single and \$1500 for family into a Health Savings Account (HSA) for enrollment in the Medical Associates HSA Qualified Health Plan. Said HSA contributions to be paid bi-annually with January and July claims cycle – Dan Reimer discussed the Medical Associates HSA Qualified Health plan option that was recommended by the Ad-Hoc Health Insurance Committee. The Committee discussed employer contribution amounts. Currently the county contribution is \$700 for single and \$1400 for family. The Ad-Hoc Health Insurance Committee recommended a \$100 increase to \$800 for single and \$1500 for family. **Merri Berlage made a motion to approve a county (employer) contribution of \$800 for single and \$1500 for family into a Health Savings Account (HSA) for enrollment in the Medical Associates HSA Qualified Health Plan. Said HSA contributions to be paid bi-annually with January and July claims cycle. Seconded by Randy Jobgen and motion passed.**
- h) Discussion and possible action regarding FY2017 Optional Health Insurance Incentive Program – Dan Reimer discussed the optional health insurance incentive program which has been in place since 2006, there are no recommended changes to the program. Eligible employees who sign up for the program receive \$1500. **Merri Berlage made a motion to approve the FY2017 Optional Health Insurance Incentive Program. Seconded by Ron Smith and motion passed.**
- i) Discussion and possible action on a recommendation from the Ad-Hoc Health Insurance Committee to approve the renewal of voluntary Dental Insurance for FY2017 with United Health Care with no change in premium rates, Plan 1 rate of \$31.04/single and \$83.05/family without orthodontia and Plan 2 rate of \$39.95/single and \$114.71/family including orthodontia – Dan Reimer discussed that our current provider is United Health Care and there is no change in the plan. **Randy Jobgen made a motion to approve the renewal of voluntary Dental Insurance for FY2017 with United Health Care with no change in premium rates, Plan 1 rate of \$31.04/single and \$83.05/family without**

orthodontia and Plan 2 rate of \$39.95/single and \$114.71/family including orthodontia. Seconded by John Lang and motion passed.

- j) Discussion and possible action on a recommendation from the Ad-Hoc Health Insurance Committee to renew the Aflac Group Accident insurance at the rates of \$4.92/single, \$7.37/employee and spouse, \$8.62/employee and dependent children and \$11.07/family – Dan Reimer discussed the optional Aflac Group Accident insurance plan. Participating employees pay 100% of the premium. **Merri Berlage made a motion to renew the Aflac Group Accident insurance at the rates of \$4.92 single, \$7.37/employee and spouse, \$8.62/employee and dependent children and \$ 11.07/family. Seconded by Randy Jobgen and motion passed.****
- k) Discussion and possible action on a recommendation from the Ad-Hoc Health Insurance Committee to renew the Aflac Group Critical Illness Advantage Insurance at the rates presented based on age and insurance level – This is also an employee optional plan. **Randy Jobgen made a motion to renew the Aflac Group Critical Illness Advantage Insurance at the rates presented based on age and insurance level. Seconded by Merri Berlage and motion passed.****
- l) Discussion and possible action on FY2017 Financial Policies**

 - i. FY2017 Jo Daviess County Furlough Policy** – Dan Reimer discussed the voluntary furlough policy. There were some recommended revisions which were discussed by the Committee. Randy Jobgen requested to strike *Members of the County Board may participate in the voluntary furlough program with a contribution of up to one per diem per month.* **Randy Jobgen made a motion to approve the FY2017 Jo Daviess County Furlough Policy as revised. Seconded by Rick Dittmar and motion passed. A nay was recorded for Ron Smith.**
 - ii. FY2017 Jo Daviess County Health Insurance Premium Cost Allocation Policy** –**Randy Jobgen made a motion to approve the FY2017 Jo Daviess County Health Insurance Premium Cost Allocation Policy. Seconded by John Lang and motion passed.**
 - iii. FY2017 Prioritized Options for Reducing Expenses and/or Increasing Revenue** – The Committee reviewed the policy. **Merri Berlage made a motion to approve the FY2017 Prioritized Options for Reducing Expenses and/or Increasing Revenue. Seconded by John O’Boyle and motion passed.**
- m) Review FY2017 Unfunded requests** – The committee reviewed the unfunded requests for FY2017 Budget. Reimer added the request from Sheriff Turner in the amount of \$70,836 for hiring a full-time Deputy Sheriff. These unfunded requests will be reviewed next Wednesday night at the Budget Workshop for the first time.
- n) Discussion and possible action regarding necessary target expense increase/decrease requests(s) for General Fund Budget(s)** – Dan Reimer commented that after our budget workshop earlier this week on September 27th, the General Fund deficit for FY2017 was \$241,654. The General Fund levy was increased which decreased the deficit from \$259,271. Reimer reviewed a necessary expense decrease request from Sheriff Turner. The Holiday patrol grant will be \$18,211 less that what was applied for, this will result in an offsetting expense decrease. **Randy Jobgen made a motion to decrease the Sheriff’s target budget amount by \$18,121.00, non-recurring expense. Seconded by Merri Berlage and motion passed.**

5. Staff Reports

- a) **Chief County Assessment Office** – Donna Berlage, Chief County Assessment Officer, reported her office is down to reviewing the last township which is West Galena and she is also working on the commercial for that township. Her office is working on posting exemptions in Devnet and pulling any exemptions that need to be removed. They continue to work on the normal day to day items such as deeds and handling exemptions. They are winding down and hoping to publish in early November.
- b) **Treasurer's Office** – Melisa Hammer, Treasurer, reported that her office has sent out 1,272 friendly property tax reminder letters. Only 564 certified letters were sent this year. The fourth distribution was sent out of September 21st in the amount of \$10,010,844.98. So far this year we have sent out \$41,501,774.
- c) **County Administrator** – Dan Reimer, County Administrator, discussed the budget process and the second budget workshop is on Wednesday, October 5th and the final workshop will be on Thursday, October 13th.

6. Citizens' comments - None

- 7. **Board Member Concerns** – Merri Berlage informed the Committee that she received an agenda late this afternoon for an Enterprise Zone meeting scheduled for 8 am tomorrow morning. They are asking to change the enterprise zone name to Northwestern Illinois Enterprise Zone. There is also an item regarding an enterprise zone public relations plan. Berlage will attend the meeting and provide a report.

The next Finance, Tax & Budgets Committee meeting will be on Thursday, October 27, 2016 @ 6:00 p.m.

John O'Boyle made a motion to adjourn at 8:45 pm. Seconded by John Lang and motion passed.