

**JO DAVIESS COUNTY BOARD  
SPECIAL MEETING MINUTES  
MARCH 30, 2004**

**CALL TO ORDER:** Chairperson of the Jo Daviess County Board, Merri Berlage, called the meeting to order at 7 p.m. on March 30, 2004 at the Jo Daviess County Board Room, Jo Daviess County Courthouse, Galena, Illinois.

**ROLL CALL** was answered as follows: Present-Merri Berlage, Joanne Bielenda, Jody Carroll, William Cooper, John Creighton, Vincent Hasken, Dane Jackson, Ron Mapes, Margie Montelius, Yerda Potter, Domer Schubert, Marvin Schultz, Lynn Sisler, Terry Stoffregen, Sally Toepfer and Jack Zillig. Present: 16. Absent-Dick Alexander. Absent: 1.

**THE PLEDGE OF ALLEGIANCE** was led by Chairperson Berlage.

Chairperson Berlage explained that the purpose of the meeting was to explore the basics of budgeting for Jo Daviess County, due to questions pertaining to the budgeting process and the accurateness of the numbers being reported. Chairperson Berlage said there are many reasons for different numbers on different reports and this will be addressed at the meeting. She reminded board members that many of the fund accounts could only be used for the designated purpose that State law allows. Funds cannot be combined.

Chairperson Berlage feels that the budget process needs improvement so that all can be informed and so that all information is in place at the beginning of the process. Each agency, department or other entity requesting funds from the County will then be fully aware of the financial status of the County from the beginning of the budget process.

Berlage would like to see a priority list so that board members know what the County must fund and what the County is willing to fund.

Chairperson Berlage stated that the County Board's primary function is to establish the various budgets of the County funds and to levy taxes for County purposes. The board also adopts all ordinances and rules pertaining to the management of business in County departments.

Board members proceeded to discuss and exchange ideas on various County budget and finance topics.

Bill Cooper wanted to discuss the differences in Mr. Alexander's figures and the actual amounts. He also wanted to know what funds could have monies transferred to and from. He also stated that maybe some of these funds are over inflated and could be adjusted to make a balanced budget.

County Administrator Troy Brown referred to the handout that he hopes to incorporate into this year's budget. For each separate fund, it gives a description, a beginning of year fund balance, a fund balance policy, a reserved fund balance and an unreserved fund balance. This will help in the future to see a truer picture of undesignated funds in the County.

**Jo Daviess County Board Special Meeting Minutes**

**March 30, 2004**

**Page 2 of 6**

Bill Cooper said that he understood what Administrator Brown was saying but he wonders if too much money is earmarked for certain projects. Bill thinks each fund needs to be thoroughly examined to see if it is over inflated and if there is money that can be transferred to the General Fund.

Jack Zillig asked about the possibility of using some of the Economic Development money. Merri Berlage explained that typically that money is used for administrating the Economic Development Department and for business loans for Economic Development. She also stated that once that money is used for other purposes there was no avenue for replacement.

Jack said he felt new business was important, but County employees were also very important and laying employees off would be the last thing the County should do.

John Creighton stated that the Stockton Golf Course, one entity that received a loan, realizes 19% more property taxes per year than if the land remained as farmland and that is on top of the loan repayment. He feels it would be extremely shortsighted to spend the Economic Development money with no hope of replacement.

Margie Montelius said she looks at the County as being an employer just as much as the golf course and if there are possibilities of layoffs, then that fund needs to be reviewed. She is not advocating draining the fund, but feels it could help prevent layoffs. She also stated that maybe in three or four years there could be a possibility of that money being replaced. She feels that money sitting there unused while people go out the door does not make any sense.

Joanne Bielenda stated that she would still like to protect our 708 Mental Health Board. She feels the County needs to provide services to our seniors and any other resident that uses a 708 entity. She would like to see the County maintain the level of funding to the 708 as in the past.

Marvin Schultz thinks the department heads need to be more involved when their budgets are being reviewed. He said he sometimes has a hard time understanding the history of each department and feels it would be beneficial if they could be more available to the board. Marvin said he doesn't mind spending money but he really does not like to waste it. He also stated that he thinks the County needs to look at where they want to go in the future. He said he would like to see a consensus by the board on the future goals of the County.

Ron Mapes agreed with Marvin Schultz and said the County needs a plan on how to achieve those goals. He would like to know if each department is making the most of the software they have. He also stated that the budget reports were difficult to understand. Merri Berlage reminded members that a new report was disbursed at the last monthly meeting and she asked if that report helped. Ron stated that it was important, but thinks the County needs to clear the air on the budget and have everyone understand the present funding status of the County before we start a new budget. He also stated that it was important that all departments be on the same accounting system.

**Jo Daviess County Board Meeting Minutes**

**March 30, 2004**

**Page 3 of 6**

Terry Stoffregen stated that before the board considers cutting certain funds, they need to consider the fact that the public voted to provide this funding. Even though they have never been funded to the extent that they could have been, he feels the board should remember the public approved the funding.

Vince Hasken stated that even though some of these funds were approved by vote there was an agreement to the level of funding that would actually take place. Vince explained that when the referendum was passed the wording approving the rate was set by statute, but the agreement and information supplied at the time of the referendum was to levy at a lower rate. He feels that the County has lived up to their end of the agreement for funding these entities.

Bill Cooper stated that the first thing to be cut is the agencies, and how far can we cut before they are put out of business. He feels there are some monies that can be moved around to help fund these agencies.

Joanne Bielenda asked about some departments being self-sustaining by way of their collected fees and asked where the excess fee money was going. Merri Berlage reported that excess fee money is turned over to the general fund. Joanne felt that this information needed to be given to the board explaining what departments are moving money and to where this money was being moved.

John Creighton explained that the departments in question exist within the General Fund and monies generated over and beyond their budget line items are held in the General Fund.

Yerda Potter reminded board members that when excess monies are transferred from one budget line item to another or when an expenses is paid for something that normally is not paid from a certain budget then that transaction is recorded by referring to a line item number in the committee minutes and board members can go to their budget books to see what line item it is actually coming from.

Jack Zillig would like more input from department heads in relation to the budget. He feels that they get involved at the Finance Committee level, but feels the entire board needs to hear what all department heads have to say. He feels departments may have ideas and views that could be beneficial to board members before any decisions are made.

Lynn Sisler asked if maybe this input could be gathered at the monthly department head meetings and reported back to the board through the administrator.

Vincent Hasken asked how our revenue from sources, other than property tax money, was coming in. He wanted to know if they were following what was estimated. The administrator Troy Brown stated that he hadn't had a chance to look at that yet, but agreed with Vince Hasken that you need to look at the revenue trend first before you start on a budget.

Vince Hasken stated that last year salaries were not included in the initial budgets and he would like to see everything included this year. Merri Berlage stated that other board members stated that same concern.

**Jo Daviess County Board Meeting Minutes**

**March 30, 2004**

**Page 4 of 6**

Dane Jackson commented on Joanne Bielenda's statement that we need to think about the people that use the agency services. Dane feels that we also need to think about the majority of the people who do not use those services but are paying for them. Many more people use the services of the Sheriff's Department and Highway Department compared to the people that use the other services. He feels there is a need to prioritize the needs of all the people not just a minority.

Sally Toepfer feels that a County needs to be more than just an entity paying bills for the County Departments. She feels that quality of life issues are very important.

Domer Schubert stated that people think the board can move monies from one fund to another. He also stated that he has had telephone calls from people wanting to tell him how to run certain departments, even though these people have never been in the building of that department, have never attended a meeting, and know nothing about it. His suggestion to these people would be to attend the public meetings and become informed of the issues.

Carol Soat, the County Treasurer, addressed the board on the concerns of the difference in the figures from the auditor's reports to the Treasurer's reports. She explained that the monthly reports that the board receives from her office are figured on a cash basis accounting system. Everything is balanced back to the bank and to the Treasurer's financial statements. The auditor's report turns all the accounts into an accrual accounting basis and that makes the difference in the ending figures. She explained that the auditors must change everything over to accrual because it is a compliance audit. However, the auditor examines the Treasurer's figures and they audit them on a cash basis. Carol Soat suggested that if any board members had questions they felt were not answered tonight they were more than welcome to contact her office or the auditors for answers.

County Administrator Troy Brown explained to the board that neither the cash basis accounting method nor the accrual basis accounting method was wrong. It is just a different way of looking at the data. It does however make it difficult to compare and understand the different reports. Carol Soat explained to the board that all funds would be converted into an accrual accounting system by this fall, thus making it easier to compare reports.

Steve Keefer, County Engineer, explained about the misconception that some people have of County Highway Matching Funds and just how great an expense it is to maintain and improve the County Roads.

Sharon Wand, Circuit Clerk informed board members that she balances on a daily, monthly and yearly basis. She also explained the accounts that her office is responsible for and their use.

**Jo Daviess County Board Meeting Minutes**

**March 30, 2004**

**Page 5 of 6**

Steve Allendorf, Sheriff told the board that all of his concerns were addressed in his recent letters to the newspaper. He also commented that if the Public Safety Sales Tax ever is presented again, that he would hope that the board be unified in its support for the tax. He also would like to see some short-term and long-term goals set for the financial stability of the County.

Jean Dimke, County Clerk and Recorder commented on her revenue from the recording fees between last year and this year would more than likely show a significant reduction since low interest rates have a direct influence on recordings.

Fran Rosenthal from the Jo Daviess County Health Department gave a simplified explanation of accrual accounting that is you match up the revenue with the month the expenses occurred.

Lynn Pease explained when property tax money is collected and disbursed.

Carol Soat, Treasurer commented on the need to have some money in reserve to cover the cash flow throughout the year.

Joe Kratcha, GIS Coordinator said when his budget was prepared last year conservative numbers were used and at this time his department is doing fairly well hitting those numbers.

Don Gereau, Executive Director of Jo Daviess Workshop, Inc. said he felt an accrual based accounting method gives a much better picture of your financial status than does a cash based system. He also feels the board has the power to accept or reject the 708 Mental Health Board budget but cannot change that levy.

Marie Stiefel from the Office of Regional Superintendent of Schools told the board that even though the Regional Office is a very small part of the County budget most of the funds and grants that are received by their office cannot be used for general office operation.

Ron Mapes asked if there would be report showing accurate figures on how the County ended this last year. He feels this needs to be clear before the board starts on a new budget. Merri Berlage said the County is in the process of being audited at this time and will ask the auditors if that report could be made available before the budgeting process begins.

Yerda Potter presented an idea suggesting that for this year's budget process each board member would receive a binder so when a committee submits each budget, members could go to their budget books to compare them. This would be kept current so each board member could be kept informed with the total budget process. By receiving these updates,

**Jo Daviess County Board Meeting Minutes**

**March 30, 2004**

**Page 6 of 6**

board members could express their concerns as soon as possible and not wait until the whole budget process is completed.

Margie Montelius stresses that if the board cuts an elected official's budget, they are not laying people off. She said that the board can restrict the bottom line of their budgets, but it is up to the official on how to implement that cut.

Marvin Schultz reminded board members that there were many uncontrollable expenses last year such as IMRF increases and insurance increases that are no fault to the board or the department heads. He said if you look at the majority of the budgets last year, they increased anywhere from 8-12 percent and that included employee wage increases averaging 2%. He feels the board did a good job last year with the budget and invites anyone who has questions to come to the finance meetings or board meetings and get those questions answered.

Chairperson Berlage stated that it is a tough job and it is not easy to make hard decisions. She told board members if they are truly interested in the budget process to attend the Finance Committee meetings or at least read your minutes and ask questions.

The meeting adjourned following a motion made by Lynn Sisler, seconded by Bill Cooper.

The motion to adjourn carried by voice vote.

Chairperson Berlage adjourned the meeting at 8:33 p.m. until 7 p.m. Monday, April 12, 2004 at the Jo Daviess County Board Room, Jo Daviess County Courthouse, Galena, Illinois.

---

Jean Dimke, Jo Daviess County Clerk