

COMMITTEE REPORT

COMMITTEE: Finance, Tax & Budgets
CHAIRPERSON: John Creighton, Chairman
DATE/TIME: October 30, 2003 7:00 p.m.

PRESENT:

<input checked="" type="checkbox"/> Berlage	<input checked="" type="checkbox"/> Hasken	<input checked="" type="checkbox"/> Schubert
<input checked="" type="checkbox"/> Carroll	<input checked="" type="checkbox"/> Mapes	<input checked="" type="checkbox"/> Schultz
<input checked="" type="checkbox"/> Creighton	<input checked="" type="checkbox"/> Potter	

Other Board members: Richard Alexander
Joanne Bielenda
Margie Montelius
Terry Stoffregen
Sally Toepfer

Others: Duane Olivier, County Administrator
Steve Allendorf, Sheriff
Steve Keeffer, County Engineer
Peg Murphy, Public Health Administrator
John Mazor, CVB Executive Director
Brian Melton, Chief Deputy Sheriff

- 1. Minutes.** Marv Schultz made a motion to approve the minutes of October 15, 2003. Domer Schubert seconded the motion and they were approved.
- 2. FY2004 Annual Budget Update and Discussion.** Duane Olivier presented and reviewed: a summary of Estimated November 2003 expenditures (Attachment I); a summary of General Fund Revenues (Attachment II) for FY2003 and FY2004; a Summary of the Proposed Annual Budget for FY2004 (Attachment III) based upon the Committees budget decisions of October (Attachment IV and V); and the proposed General Capital Investment Fund (Attachment VI).

With the addition of \$19,650 in revenues for Zoning Certificates (a fee approved by the County Board in August and not yet added to the revenue estimate), the General Fund balance increased to \$46,190 based upon the Committee's decisions of October 15th.

Steve Allendorf addressed the Committee about the \$80,000 "bottom line" reduction in the Sheriff's budgets. He strongly stated that he opposed the reduction and that under the circumstances that he could not go forward with the contacted for services with the Village of Hanover even though it would result in a \$45,000 loss in revenue. An \$80,000 reduction could result in a reduction in personnel and he would be unable to adequately serve the County as well as the Village of Hanover. He requested that the \$80,000 reduction be restored.

John Creighton commented on the letter received from Glen Weber (Attachment VII) regarding the County's authority to reduce the budget of the Regional Office of Education (ROE). In Glen's opinion, the County can increase or decrease the ROE's

budget request, but only with the concurrence of Carroll and Stephenson Counties. Marv Schultz expressed the opinion that he would not support spending any money on pursuing a reduction in the ROE's budget. Yerda Potter questioned whether the three counties could agree in the time between now and budget adoption. Yerda Potter moved to request Merri Berlage to contact the county board chairpersons in Carroll and Stephenson Counties to determine if they would consider a reduction in the ROE's budget request. Vince Hasken 2nd the motion and it was approved on a vote of 5 to 2 with Marv Schultz and Ron Mapes voting no.

The Committee asked Duane Olivier to review his alternative budget "balancing" proposal (Attachment VIII).

Marv Schultz expressed concern about reducing the Health Department budget.

In regard to the Committee's October 15th budget decisions (Attachment V), Ron Mapes moved that only items 2 and 5 be kept and that items 1, 3, 4, and 6 be eliminated. Marv Schultz 2nd the motion and it was approved on a vote of 4 to 3.

Vince Hasken moved that item 1 of the Committee's October 15th budget decision (Attachment V) be reconsidered and changed as follows:

Eliminate the Indemnity Fund and distribute as follows:

- a. Transfer \$12,122 to the Mental Health Fund and \$22,244 to the Health Fund to reduce monies lost as a result of the 10% cut in the Health Fund and Mental Health Fund tax levies.
- b. Transfer \$40,000 to a new "Contingency Fund".
- c. Transfer \$50,000 to the new "Election Fund" to help pay the cost of new voting equipment

The motion was 2nd by John Creighton and it failed on a vote of 3 to 4.

Jody Carroll suggested that because the Committee appeared to be headed in the direction of restoring all tax levies to their original amounts, that for FY2004 the Committee consider restoring the Health Fund and Mental Health Fund tax levies to their current year amounts, not increase the General Fund tax levy, use excess General Fund monies to cover any budget deficits, and deal with the budget deficit next fiscal year. He did not make a motion in this regard.

Following further discussion, Marv Shultz moved that: 1) the tax levy for the Public Health Fund, Mental Health Fund, and Extension Education Fund be restored to their current levels; 2) the Highway Fund, Federal Aid Matching Fund, and the Bridge Fund be levied at their maximum rates; 3) restore \$80,000 to the Sheriff's budgets and \$10,000 to the States Attorney's budget; 4) money needed to balance the General

Fund budget be derived from a reduction in the Social Security Fund and IMRF Fund tax levies and added to the General Fund levy; and 5) the Indemnity Fund be eliminated and distributed \$50,000 to the new Election Equipment Replacement Fund and the balance to the new Contingency Fund. John Creighton 2nd the motion and it was approved on a vote of 5 to 1, Yerda Potter voting no.

Meeting adjourned at 10:00 p.m.