

COMMITTEE REPORT

COMMITTEE: Finance, Tax & Budgets
CHAIRPERSON: Yerda Potter, Chair
DATE/TIME: July 28, 2005

PRESENT:

Berlage
 Carroll

Kent
 Mapes

Potter
 Schultz

Other Board members:

Others: Troy Brown, Diane Williams, Carol Soat, Betsy Eaton, Jean Dimke

MINUTES

Yerda Potter called the meeting to order at 7:25 p.m.

1. Minutes

The minutes of the June 30, 2005 committee meeting were approved following a motion by Marvin Schultz and seconded by Jody Carroll.

2. Old Business

- a) Direct Deposit. Jean Dimke reported that she and the Treasurer met with B'Ann Dittmar from US Bank. The bank is willing to waive the fees for the service. They also have software that the County could purchase for \$300. The software cost with the County's current financial software provider is \$3000 plus \$500 per year for maintenance. The County Clerk and Treasurer recommend using the financial system software because it is integrated with the rest of the systems, such as accounts payable and general ledger. The County Clerk stated that operating a dual system of direct deposit and paper checks is no big deal and could be accommodated. The employee survey indicated that approximately 80% are interested in the program. Dimke reported that the bank will give some education to the employees as part of their service. The committee discussed other banks and Carol Soat reported that the other local banks will charge service fees. Dimke stated that if the program was approved now, they could probably implement it by the beginning of October. The States Attorney's opinion is that there is no legal basis to prohibit the County from requiring employees to use direct deposit.

Schultz made a motion to recommend instituting the direct deposit system for payroll checks beginning in the 2006 fiscal year, purchase the software from Civic Systems, and give the employees the option of using direct deposit or receiving paper checks. Ron Mapes seconded and the motion passed.

- b) DUI Fund. Neither the Sheriff nor Chief Deputy was able to attend the meeting. A memo from Brian Melton stated that they are withdrawing their request to establish a DUI fund at this time. They will correct any

activity with the Treasurer's Office and bring the request to the FY2006 budget process.

3. New Business

- a) CVB proposal for holiday advertising campaign. Betsy Eaton reported that the proposal for the holiday advertising campaign has been scaled back by approximately \$28,000 from the proposal that was discussed at the Development & Planning Committee meeting. This item was not in the media plan previously approved by the County Board, but was developed because of the sum of unexpended funds that the CVB had in certain line items, mostly salaries. The campaign will be paid for by transferring \$73,523 from various salary line items and \$22,348 in unexpended grant revenues. Mapes made a motion to approve the line item transfers as presented. Schultz seconded and the motion passed.
- b) Line item transfer for the Economic Development Fund. The County Administrator reported that a line item transfer is needed in the Economic Development Investment Fund to pay the professional services that have been contracted with the Freeport Economic Development Foundation. At the time the FY05 budget was prepared, salaries were budgeted for the service of an economic development employee. The committee discussed the various line items in the economic development budget. Mapes made a motion to transfer \$16,000 from the General Fund's Economic Development salary line item to the professional services line item of the same budget. Carroll seconded and the motion passed.
- c) Discussion of FY06 budget. The County Administrator reported that the process is moving along on pace with the schedule. He is working with the auditor on estimating the year-end fund balance for 2005 and they expect that it will be a little higher than anticipated. He plans to talk with the department heads regarding their revenue estimates and review that information. The committee looked at a proposed schedule for the joint meetings that will be held at the end of August. There was much discussion on the procedure for these meetings and the consensus was that the committees will act in a joint manner to review and move forward the departmental and agency budgets. Some revisions were also proposed for the overall budget schedule.

4. Other

- a) Treasurer's reports. Schultz asked the County Treasurer if the committee could have a list of the various types of reports that her office can generate. Soat will prepare some samples for him and the committee to look at. She also reported that the office is quiet right now and she did a second distribution of taxes last week.
- b) Board member concerns. Alan Kent stated that he is concerned about the lack of long-range planning and multi-year budgeting and the need for department heads to work on a plan. The County Administrator reported

that he agreed on the need for such a plan, but that the budget process for FY06 has already begun. He encouraged the committee and the Board to begin immediately in FY06 to work on long-range planning. The committee discussed some work that the previous County Administrator had done and Brown stated that he will look for the information.

Schultz stated that he would like to see what the options for 1%, 2%, and 3% salary increases would cost before getting much further into the budget process. He would also like to work on the County's bidding procedure. He questioned what the amounts and limits are and discussed standardizing an RFP format. The committee also discussed the value of employee benefits and suggested discussing that topic with the employees at the time of their reviews.

Yerda Potter commented that John Creighton has made some presentations and may have inadvertently used incorrect numbers due to state revisions unknown at this time. He apologized to the Board if that was the case. She also stated that the Foreign Trade Zone needs some funding from Jo Daviess County in the amount of \$5000. The amount is just an estimate. The consensus of the committee is to put the request on the County Board agenda under Development & Planning.

5. Citizens' Comments

Carol Soat stated that a representative from Lindgren, Callihan and Van Osdol made a presentation on Fraud Prevention and Detection. They have a program they can do for the County at a cost of \$1000. Soat will discuss the program with the County Clerk and Circuit Clerk.

There being no further business, the meeting adjourned at 8:20 p.m. following a motion by Merri Berlage and seconded by Mapes.