

COMMITTEE REPORT

COMMITTEE: Social and Environmental Joint Meeting with Finance, Tax and Budget Committee
CHAIRPERSON: Marvin Schultz
DATE/TIME: August 22, 2012 @ 6:00 p.m.

PRESENT:

Margie Montelius
 Bernece Hill

Don Hill
 Marvin Schultz

Dan Sheridan
 Don Zillig

Other Board Members: Bill Cooper, Steve Rutz, Ron Smith, Merri Berlage, Randy Jobgen, Ron Mapes, Terry Stoffregen, Rick Dittmar and Kim Monk.
Others: Dan Reimer, Melisa Hammer, Peg Murphy, Roger Kelsner, Evelyn Folks, Ben Andersen, Fran Peterson, Carol Soat, Roger Spoerl, Kelly Hillan and Marc Wolf.

1. **Call to Order**
2. **Welcome and Introductions**
3. **Review and approve minutes of April 19, 2012 meeting. Don Zillig made a motion to approve the minutes of the April 19, 2012 meeting and Don Hill seconded. Motion passed.**
4. **Citizens Comments**
5. **Unfinished Business**
 - a) **Discussion of 2011 Strategic Goals and Timeline-** This item will remain on the agenda.
 - b) **Discussion and possible action to approve and recommend passage of a Resolution Authorizing Execution and Amendment of Downstate Operating Assistance Grant Agreement -** Marvin Schultz reviewed a resolution that would authorize execution and amendment of the Downstate Operating Assistance Grant Agreement. **Don Hill made a motion to approve a resolution authoring execution and amendment of Downstate Operating Assistance Grant Agreement. Seconded by Margie Montelius and motion passed.**
6. **New Business**
7. **Staff Reports**
 - a) **Jo Daviess Transit**
 - b) **Public Health**

Marvin Schultz turned the meeting over to the Finance, Tax and Budget Committee Chairman, Ron Smith at this time.

8. **Procedures for Joint Committee Meetings-** County Administrator Dan Reimer reviewed a budget handout and explained the procedures for the four scheduled joint committee budget meetings. Representatives for each county department and agency will be given an opportunity to present individually each of their FY2013 budget(s) and discuss their plans, goals and objectives for FY2013. Representatives will also be given an opportunity to briefly explain how their respective programs will be structured within any defined funding levels. After each budget is presented a member of the responsible standing county board committee should make a motion to move the budget forward to the draft budget document. A member of the Finance, Tax & Budgets Committee should second the motion. Both committees together should vote (voice vote) to approve the motion to move each budget forward to the budget draft document

9. **Review and Summary of FY2013 Budget Process to Date** – Dan Reimer discussed the FY2013 budget schedule and explained that the target-based budget process that was again used to establish initial FY2013 expense budgets. Preliminary Round 1 revenue estimates for the seven Jo Daviess County operational funds indicate an overall increase of \$423,988 or 3.8% from prior year. Three operational fund budgets are projecting revenue increases in FY2013 of 3.5% or more (County Highway 3.5%, General Corporate Fund 5.3% and Tourism Promotion 13.4%). Reimer explained that on June 28th the Finance, Tax, & Budgets Committee approved guidelines for establishing FY2013 General Fund and Special Fund expense budgets and agency funding amounts. The established budget guidelines are as follows:

1. The target-based budgeting process shall be used to establish the twenty seven (27) General Fund expense budgets and a modified target-based process shall be used to establish the fifty-eight (58) Special Revenue Fund expense budgets.
2. Personnel related expense line items shall be considered mandatory expenses for all County budgets (General Fund and Special Funds) and shall include salaries and wages, employee fringe benefits and postage; and shall be calculated as follows:
 - ❖ Employer retirement contribution rate – IMRF **12.12%**, SLEP **19.06%**
 - ❖ Health Insurance - **15%** rate increase
 - ❖ Salaries and wages – **2.0%** wage increase for all union and non-union employees; wage increase per resolution for elected officials.
 - ❖ S.S./Medicare – increase/decrease proportionally to payroll estimates.
 - ❖ Postage – no increase in FY2013.
3. The County Administrator’s office shall calculate mandated line item expenses for General Fund expense budgets prior to packet distribution and shall assist in the calculation of mandated expenses for operational Special Fund budgets.
4. Reductions made in FY2010 and continued in FY2011 and FY2012 to meet the 3% General Fund budget reduction requirement shall not be reinstated in initial FY2013 budget target amounts.
5. The target amount for General Fund expense budgets, after allocating increases/decreases for allowable mandated expenses, shall be set at the same level (zero increase) as the final FY2012 target amount less any non-recurring expenses added during the FY2011 process including awarding of un-funded requests.
6. All Interfund Transfers scheduled in FY2012, except the interfund transfer to the Contingency Fund, shall be maintained unless otherwise instructed.
7. Any **new mandated** expense or any new expenses which will increase per an existing contract or agreement shall be allowed to increase the target amount accordingly.
8. Any **new necessary** expense that causes the target amount to be exceeded should be submitted to the County Administrator’s Office as an overage request with a detailed letter of explanation. Overage requests will be reviewed by the Finance Committee. If the Committee determines the request is a necessary expense the target amount will be increased accordingly. If the Committee does not consider the request a necessary expense, the request will be submitted as an un-funded activity.

9. Any new request or activity not considered a mandatory or necessary expense, and exceeds the department target amount, the Department Head shall submit as an unfunded activity on an unfunded expense estimate sheet. These forms will be used to rank unfunded activities and be used as a reference point for approving further expenditures if additional revenue is identified or resources are allocated.
10. Departments with Special Fund budgets are requested to follow the same guidelines as General Fund departments. Any significant increase or decrease in expense line item estimates that deviate from the previous three year period, or any anticipated appropriation of fund balance are to be explained in a detailed memorandum.
11. Initial funding amounts for agencies, who receive funding from the Jo Daviess County General Fund or Jo Daviess County tax levy, shall be set at the same level of funding as appropriated in the FY2012 budget.

10. Budget Review Session with Finance Committee

- a) **Social and Environmental Services** – There was not a representative from NICAA Senior Citizens Services Golden Meals program present. Dan Reimer informed the committee that the amount requested for FY2013 by NICAA is \$8,133 which is the same amount as approved in FY2012 and the same amount as designated by the Finance Committee in the FY2013 budget guidelines. **Don Hill made a motion to move forward the agency request in the amount of \$8,133 for NICAA Golden Meals to the Social and Environmental budget of 001-41157. Seconded by Rick Dittmar and motion passed.** Kelly Hillan, Executive Director presented the budget and budget request for the Senior Resource Center. Hillan explained the services provided by the Resource Center to the citizens of Jo Daviess County. **Dan Sheridan made a motion to move forward the agency request in the amount of \$8,170 for Senior Resource Center to the Social and Environmental budget of 001-41157. Seconded by Rick Dittmar and motion passed.** Marc Wolf, American Legion County Commander for Jo Daviess County, presented the proposed 2013 Legion budget and discussed their 2011 and 2012 income and expense statements. The written funding amount requested was for \$1,000, the same amount as 2012. Steve Loomis, Commander of Warren American Legion Post, requested that Jo Daviess County consider additional funding for the FY2013 budget. It was explained that an unfunded request would be necessary for this action. **Margie Montelius made a motion to move forward the agency request in the amount of \$1,000 for American Legions grave markers to the Social and Environmental budget of 001-41157. Seconded by Ron Mapes and motion passed.** **Dan Sheridan made a motion to move forward an unfunded request in the amount of \$500 forward to the unfunded list. Seconded by Steve Rutz and motion passed.** Robert Spoerl, Chairperson from the Jo Daviess/Carroll Solid Waste Agency explained the programs and plans for his agency. An Annual Financial Report for the agency was presented. Spoerl reviewed a letter in which the agency requested \$7,000 in funding for 2013. The committee discussed that the amount appropriated in the FY2012 Social and Environmental budget 001-41157 for this agency is \$6,500 and this is the same amount as designated by the Finance

Committee in the FY2013 budget guidelines. It was explained that an unfunded request would be necessary in order for the County Board to consider the additional \$500 that the agency has requested. **Bernece Hill made a motion to move forward a budget funding request in the amount of \$6,500 for the Jo Daviess – Carroll County Solid Waste Agency to the Social and Environmental budget 001-41157. Seconded by Ron Smith and motion passed. Bernece Hill made a motion to move forward a \$500 unfunded request to the unfunded list. Seconded by Rick Dittmar and motion passed.** Roger Kelsner, Assistant Director for the Jo Daviess County Transit presented the proposed request for FY2013 budget. Jo Daviess County's contribution match is \$30,250 for general transportation and \$8,500 for the medical transportation program. **Don Hill made a motion to move forward the JDC Transit agency request in the amount of \$8,500 for medical transportation and \$30,250 public transportation to the Social and Environmental budget 001-41157. Seconded by Randy Jobgen and motion passed.**

- b) **JDC Transit Fund** - The committee reviewed a special fund budget for the Jo Daviess County Transit in the amount of \$782,950. **Dan Sheridan made a motion to move forward special fund budget 071-44163 Jo Daviess County Transit Fund in the amount of \$782,950 along with the fund description to the draft budget document. Seconded by Marvin Schultz and motion passed.**
- c) **708 Mental Health Board** – Special fund budget 014 Mental Health Fund was presented by Ben Andersen, Chairman of the 708 Mental Health Board, in the amount of \$344,000. The 2012 Mental health tax levy amount (payable 2013) is \$343,896 which is an increase of \$6,743 or 2% more than the 2011 budgeted levy extension amount of \$337,153 budgeted. **Bernece Hill made a motion to move forward budget 014-44156 Mental Health Fund in the amount of \$344,000 along with the fund description to the draft budget document. Seconded by Randy Jobgen and motion passed.**
- d) **Public Health** – Peg Murphy, Public Health Department Administrator, presented special fund budget 003-44151 Public Health Fund in the amount of \$947,900. The 2012 Public Health tax levy amount (payable 2013) is \$522,509 which is the same amount as the 2011 budgeted levy extension amount. The committee reviewed the fund description for this fund and agreed to revise the minimum year end fund balance policy reserve amount to \$475,000. **Marvin Schultz made a motion to move forward budget 003-44151 Public Health Fund along with the fund description and Minimum Fiscal Year End Fund Balance Policy to the draft budget document. Seconded by Randy Jobgen and motion passed.** Murphy presented special fund budget 005-44151 Public Health Emergency Preparedness Fund in the amount of \$40,000. **Don Hill made a motion to move forward budget 005-44151 Public Health Emergency Preparedness Fund along with the fund description to the draft budget document. Seconded by Rick Dittmar and motion passed.** Murphy presented special fund budget 055-46173 Public Health Capital Investment Fund in the amount of \$140,000. **Don Hill made a motion to move forward budget 055-46173 Public Health Capital Investment Fund along with the fund**

description to the draft budget document. Seconded by Randy Jobgen and motion passed. Murphy discussed that during the FY2011 audit that it was recommended that beginning in FY2013 County no longer budget for fund 015-44151 Public Health Foundation. This recommendation is due to the fact that the Foundation is a not-for-profit foundation with its own Board of Directors and the County is not responsible for financial decisions associated with the Foundation. The County Administrator will draft a resolution for Finance Committee consideration to discontinue this fund effective 12/01/2012. Murphy presented special fund budget 046-44162 Catastrophic Emergency Fund; in the amount of \$200,000. **Don Zillig made a motion to move forward budget 046-44162 Catastrophic Emergency Fund along with the fund description to the draft budget document. Seconded by Randy Jobgen and motion passed.** Murphy presented special fund budget 067-44164 Public Health Emergency Response Grant Fund; in the amount of \$50. **Don Hill made a motion to move forward budget 067-44164 Public Health Emergency Response Grant Fund along with the fund description to the draft budget document. Seconded by Ron Smith and motion passed.**

- e) **Home Health** – Peggy Murphy, Public Health Department Administrator, reminded the committee that the Home Health Department is administered by the Health Department and there is no County property tax levy money being used for this department. Most of the funding sources are from Medicare and from private insurance payments. Murphy presented the special fund budget 026-44152 Home Health Care Fund; in the amount of \$646,200. The committee discussed that in the fund description the minimum fiscal year end fund balance policy requires a reserve of an estimated three (3) months of operating expense which would be \$165,000. **Dan Sheridan made a motion to move forward budget 026-44152 Home Health Care Fund along with the fund description including the designated minimum fiscal year fund balance amount of \$165,000 to the draft budget document. Seconded by Rick Dittmar and motion passed.** Murphy presented special fund budget 022-44160 Home Health Care Memorial Fund; in the amount of \$1,000. **Don Hill made a motion to move forward budget 022-44160 Home Health Care Memorial Fund along with the fund description to the draft budget document. Seconded by Randy Jobgen and motion passed.** Murphy presented special fund budget 054-46178 Home Health Care Capital Equipment Fund; in the amount of \$4,200. **Margie Montelius made a motion to move forward budget 054-46178 Home Health Care Equipment Fund along with the fund description to the draft budget document. Seconded by Rick Dittmar and motion passed.**
- f) **Small Rental Properties Program** – Dan Reimer presented special fund budget 040-47177 Small Rental Properties Program; in the amount of \$0. Schultz explained that in the past this program was funded through the Illinois Housing Authority and administered by the Northwestern Illinois Community Action Agency for the rehabilitation of low-income rental properties. No program for Jo Daviess County is anticipated in FY2013. **Marvin Schultz made a motion to move forward budget 040-47177 Small Rental Properties Program along**

with the fund description to the draft budget document. Seconded by Rick Dittmar and motion passed.

- g) Treasurer** – Carol Soat, County Treasurer, presented the County Treasurer budget 001-40104; with a target amount of \$242,090. The committee reviewed a new mandated expense memo for a target increase in FY2013 for two existing contracts which are scheduled to increase. The total amount requested for the County Treasurer is \$667.42. Soat discussed that in the FY2012 budget she scheduled an interfund transfer in the amount of \$1,500 from the Treasurer's Automation Fund (047) to the County Treasurer Fund 001-40104 to pay the costs associated with additional part time help in FY2012. But due to the improved timeliness of the property tax cycle she will not need extra part-time help and will not make the scheduled \$1,500 interfund transfer this year or next year. For the FY2013 Budget the line item 001-40104-403 Salaries/Part-time will be decreased by \$1,500 plus the \$26 for the 2% pay increase. If approved this will decrease the line item 001-40104-403 Salaries/Part-time to \$8,722 which will also decrease the budget target amount to \$240,564. **Steve Rutz made a motion to move forward budget 001-40104 County Treasurer to the draft budget document. Seconded by Randy Jobgen and motion passed. Randy Jobgen made a motion to increase the target amount \$667.42 for County Treasurer budget 001-40104 and reduce the target amount by \$1,500 for County Treasurer budget 001-40104. Seconded by Steve Rutz and motion passed.** Soat presented budget 001-40105 Tax Extension; with a target amount of \$19,700. **Marvin Schultz made a motion to move forward budget 001-40105 Tax Extension along with the fund description to the draft budget document. Seconded by Rick Dittmar and motion passed.** Soat presented special fund budget 047 County Treasurer Automation Fund in the amount of \$8,677. **Rick Dittmar made a motion to move forward budget 047-47186 County Treasurer Automation Fund to the draft budget document. Seconded by Steve Rutz and motion passed.** Soat presented special fund budget 065-47199 Sale in Error Fund in the amount of \$2,500. It was discussed that this fund is used to pay interest refunds and costs to a tax sale certificate holder that has received a sale in error. After further discussion it was suggested to change line item 905 miscellaneous from \$2,500 to \$5,000. **Marvin Schultz made a motion to move forward budget 065-47199 with the amendment to line item 905 from \$2,500 to \$5,000 along with the fund description to the draft budget document. Seconded by Ron Smith and motion passed.**

11. Citizens Comments – None

- 12. Board Member Concerns - Merri Berlage** discussed that the Northwestern Illinois Community Action Agency offers a grant program for new home buyers and suggested that Jo Daviess County review the possibilities of this program. Berlage offered to contact NICAA and find out more about the program.

Dan Sheridan made a motion to adjourn at 8:47 pm seconded by Don Hill and motion passed.

Next regular Social and Environmental Committee meeting will be on Thursday, September 20, 2012 at 7:00 pm.