

**DRAFT**  
**Finance Committee**  
**Minutes**  
**October 6, 2010**

The DeKalb County Finance Committee met on Wednesday, October 6, 2010 @ 7:00p.m., in the Administration Building's Conference Room East. Chairman Michael Haines called the meeting to order. Members present were Ken Andersen, John Hulseberg, Paul Stoddard, Michael Stuckert, Ruth Anne Tobias and Mark Todd. Mr. Newport called into the meeting remotely via a conference phone. Others present were Ray Bockman, Gary Hanson, Eileen Dubin, Greg Millburg, Mark Parrish, Christine Johnson, Margaret Whitwell, Julia Fullerton, Jim Scheffers, Karen Grush, Sheriff Scott, Joan Hanson, Margi Gilmour and Jane Lux.

**APPROVAL OF THE MINUTES**

Moved by Ms. Tobias, seconded by Mr. Andersen, and it was carried unanimously to approve the minutes from September, 2010.

**APPROVAL OF THE AGENDA**

Chairman Haines asked to move item #6 to the end of the meeting after the executive session.

Moved by Mr. Mr. Andersen, seconded by Mr. Hulseberg, and it was carried unanimously to approve the amended agenda.

Mr. Newport arrived to the meeting via conference phone @ 7:05p.m.

**It was moved by Mr. Todd, seconded by Mr. Hulseberg, and it was carried unanimously to allow Mr. Newport to participate in the meeting via conference phone.**

**REVIEW OF SEPTEMBER BOND SALE**

Mr. Gary Hanson, Deputy County Administrator, passed out a financing summary (attached to these minutes) of the \$16 million bond issue to finance the new courthouse expansion and the expansion for the jail. He highlighted that we received an extremely good interest rate of 2.81%. He also said that the County locked down the pricing on September 23, 2010 and the closing will be a week from tomorrow, October 14<sup>th</sup>. Mr. Hanson said that after ten years these bonds will be callable bonds.

**FY2011 BUDGET DISCUSSION**

Mr. Hanson then explained to the committee that the FY2011 Budget appeals are before them this evening for their committee to consider. The first budget scenario that the committee will be considering tonight is Scenario A that covers the initial budget based off of the Administrative Recommendations for this year. There will be another budget to consider this evening, called Scenario B that will be discussed under the executive session and stems from the County Board's direction from last month's County Board meeting. Here are the following appeals that the committee discussed:

**Item #10:** Increase the employee contribution for health insurance from 25% of the total premium to 50% of the total premium for a savings of \$1,150,000. Mr. Hanson said that the County would need to reopen the union contracts to discuss this and that 2/3rds of the county employees are in a bargaining unit. Chairman Haines said that he feels this is horrendous because this is like a salary cut for employees because their healthcare costs will double. This means that employees making \$30,000 would pay the same amount for insurance as employees that make \$100,000 plus this would not include union employees. Mr. Todd asked Mr. Hanson when the bids would be due on our health insurance. Mr. Hanson said they are due around the county board meeting. The committee asked Mr. Hanson based on current levels, what would we be talking about in terms to an increase for a family? Mr. Hanson said that Family costs are around \$18,000 and the employee would cost about \$5,000.

**Moved by Mr. Hulseberg, seconded by Mr. Stuckert, and it carried unanimously, to deny the appeal.**

**Item #25d:** Reduce the appropriation for purchasing Computer Network Infrastructure equipment from \$465,000 to \$365,000. Mr. Hanson said that this is for our asset replacement fund and all of our centralized network computer equipment now runs through that. Mr. Todd said that he didn't want to zero anything and he knows that his is important. He looked at trying to avoid property tax increase and minimize the amount of reserve. Ms. Tobias asked if this reduction would impact the broadband project. Ms. Hanson IMO Director, said no. Chairman Haines asked if this would be considered a gamble to cut the \$100,000. Mr. Bockman said yes. Mr. Stuckert asked Ms. Hanson that if a server went down, would they be able to fix it. Ms. Hanson said yes. Mr. Stoddard asked Ms. Hanson how often do her servers crash? Ms. Hanson said seldom.

**Moved by Mr. Stoddard, seconded by Mr. Todd, and it was carried to approve the appeal. Ms. Tobias was a no vote.**

**Item #36a:** Eliminate funding for the restoration of monuments at the County Cemetery at a savings of \$30,000 in the Special Projects Fund. This appeal refers to maintenance, aligning the rows of graves and foundations put in. There are 200 graves to maintain.

**Moved by Mr. Andersen, seconded by Mr. Stuckert, to approve the appeal.** Discussion followed.

**Mr. Hulseberg said that he would like to amend the motion to reduce the appeal to only cut \$15,000 not \$30,000 for the project. Mr. Stoddard seconded Mr. Hulseberg's motion. It was carried with 3 votes no and 5 votes yes. The no votes were Mr. Andersen, Mr. Stuckert and Mr. Newport.**

**They then voted on the original motion that has been amended to include the elimination of funding for the restoration of monuments at the County Cemetery at a savings of \$15,000 in the Special Projects Fund, was unanimous.**

**Item #36b:** Eliminate funding for a bike path between Sannuak Forest Preserve and Village of Somonauk at a savings of \$10,000 in the Special Projects Fund. Mr. Stoddard moved to reduce the appeal to \$5,000. There was no second, motion failed. The committee agreed to table this item and to talk to the Forest Preserve Committee about this project.

**Item #36c and #4810-7875:** Eliminate funding for energy conservation projects at a savings of \$10,000 in the Special Projects Fund. Mr. Andersen asked Mr. Scheffers what the energy conservation projects? Mr. Scheffers, Facility Manager, said that they included replacing the light bulbs in the courthouse for energy efficiency, control systems by shutting down units for air conditioning units, light sensors to be installed in the Legislation Building's basement and to install new light bulbs in the parking lot. Mr. Scheffers said that in the energy audit covering 2008-2009 showed that there was a reduction in energy costs by 9.4%. Mr. Todd asked Mr. Scheffers if item #36c and Item #4810-7875 were inter-related. Mr. Scheffers said yes.

**Moved by Ms. Tobias, seconded by Mr. Todd, and it was carried unanimously to fund \$15,000 for both projects combined, with \$5,000 for Special Projects and \$10,000 for item #4810-7875 by combining these two items there is a reduction of \$10,000.**

**Item #4810-9962:** Reduce the budget allocation for Facilities Management for the Asset Replacement program from \$18,000 to \$15,000. Mr. Hanson said that this is an Asset Replacement item again on monies that are put aside each year for the future purchase of all equipment for Facilities Management. We have already the amount down from \$20,000.

**Moved by Mr. Hulseberg, seconded by Ms. Tobias, and it was carried to deny this reduction or \$3,000. There were 3 no votes and 5 yes votes. The 3 no votes were Mr. Todd, Mr. Andersen and Mr. Newport.**

**Items #4910-8025, #4910-8041, and #4910-9101:** Reduce the budget allocation for Maintenance of the Grounds for the Community Outreach Building from \$10,000 to \$5,000 (Item #4910-8025); Reduce the budget allocation for Electricity for the Community Outreach Building from \$65,000 to \$50,000 (Item #4910-8041); and Reduce the budget allocation for Janitorial Supplies for the Community Outreach Building from \$10,000 to \$5,000 (Item #4910-9101). Mr. Hanson said to combine these three items for consideration and that they are not mandated by the County

**It was moved by Mr. Stuckert, seconded by Mr. Hulseberg, and it was carried unanimously to approve the appeal for Item #4910-8025.**

**It was moved by Mr. Stuckert, seconded by Mr. Stoddard, and it was carried unanimously to deny the appeal for Item #4910-8041.**

**It was moved by Mr. Andersen, seconded by Mr. Stuckert, and it was carried unanimously to approve the appeal for Item #4910-9101.**

**Item #6530-7700:** Reduce the “Office Furniture and Small Equipment (7701) and Computer Equipment (#7711) line items for the History Room from a total of \$3,000 to zero. Therefore, the allocation from the General Fund to the History Room would be reduced from the recommended \$13,000 to \$10,000. The committee asked Mr. Hanson what the General Fund Expenditure is. Mr. Hanson said \$11,000.00 is for salary stipends.

**Moved by Ms. Tobias, seconded by Mr. Stoddard, and it was carried unanimously to reduce Item #7700 and #7701 by \$2,000, therefore, the allocation from the General Fund to the History Room would be reduced from the recommended \$13,000 to \$11,000.**

Mr. Hanson then passed out the second Budget Scenario “B” that was arrived at by the direction of the full County Board at their September meeting. Mr. Hanson proceeded to read the rest of the recommended reductions to the FY2011 budget to the committee. The committee then moved into executive session.

**It was moved by Mr. Stoddard, seconded by Mr. Stuckert, and it was carried unanimously to move into executive session to discuss personnel and collective bargaining issues, by a roll call vote.**

**It was moved by John Hulseberg and seconded by Ken Andersen to go out of executive session. Motion carried by unanimous roll call vote.**

No action was taken.

#### **EXEMPT EMPLOYEE EVALUATIONS**

The committee discussed the performance of the Deputy County Administrator, IMO Director and Facilities Manager over the preceding twelve-month period. Mr. Bockman informed the committee that all three either had or would complete their professional development plans by the end of the fiscal year. Ms. Hanson and Mr. Scheffers pointed to the strength of their staffs as a major contributing factor in the success of their departments. Mr. Hanson talked about the benefits of longevity in helping with productivity in his office. All present felt that the performance of these three employees exceeded expectations for the period.

#### **ADJOURNMENT**

It was moved by moved by Ruth Anne Tobias and seconded by Ken Andersen to adjourn. Motion carried by unanimous voice vote.

Respectfully submitted,

Michael Haines, Chairman