



Finance Committee Meeting (Budget Wrap-Up) Minutes

Lee County, Illinois

Aug 30, 2022 at 9:00 AM CDT to Aug 30, 2022 at 12:00 PM CDT

Old Lee County Courthouse, Third Floor Boardroom, 112 E 2nd St, Dixon, IL 61021

I. Call to Order

Meeting called to order at 9:00 a.m. by Chair Jim Schielein.

II. Committee Member Roll Call: Chair Jim Schielein, Vice Chair Arlan McClain, Tom Kitson, Lirim Mimini, Doug Farster, Rick Humphrey, and Tim Bivins

Arlan McClain, and Lirim Mimini were absent. All other members were present in person.

III. Meeting Attendees and Visitors

John Nicholson (County Board Vice Chair), Wendy Ryerson (Administrator), Paula Meyer (Treasurer), Paul Rudolphi (Chief Deputy Treasurer), and Dean Freil.

IV. Approval of the Minutes from the Previous Budget Meeting

No minutes were approved at this meeting

V. Unfinished Business

a. FY23 Budget Wrap-up

Paula Meyer and Wendy Ryerson reviewed the changes previously proposed by the Committee during the budget hearings, bringing the FY 2023 budget deficit to \$330,027. The Committee was also presented with proposed changes by County Administration and Chair Schielein to close the budget deficit gap leaving a final surplus of \$173.00. The report of changes is attached to these minutes.

A **Motion** to adopt the budget (all funds, including capital) as presented, including the changes presented today to balance the budget; **Moved** by Bivins; **Seconded** by Farster.

During discussion on the motion, the subject of the Health Department levy allocation was introduced. The General Fund typically has a 6-month reserve; the existing Health Department fund balance at year end is estimated to be \$750,000, also representing a 6-month reserve. The Committee discussed the

Following discussion, a **Motion** to amend the original motion to reduce the Health Department transfer (from General Fund Levy) by \$100,000 to \$465,000, resulting in a General Fund balance of \$100,173. **Moved by Farster; Seconded by Kitson; Motion carried by voice vote.**

Chair Schielein called for the vote to approve the original **Motion as Amended: Motion carried by voice vote.**

b. FY23 Capital Budget

The Committee reviewed and discussed the general capital requests, and ARPA capital requests. (Attached to these minutes.) After much discussion the Committee requested the \$124,000 for the LEC Control replacement be deferred and moved to FY 2024. All other capital items will remain in the capital budget pending future decisions on the allocation of remaining ARPA dollars. It was noted several requested capital budget items could be funded with the \$2 million of ARPA reserve funds, such as the Courts Building HVAC units (\$1,810,000) and the Old Courthouse roof (\$135,000).

c. ARPA Capital (\$1.5 million previously allocated and approved by the Board)

The Committee reviewed the proposed ARPA Capital budget including \$628,639 of approved expenses for FY 2022 and an additional projected expense of \$848,000 for FY 2023. This would result in a balance of \$25,360. No further changes were suggested to the ARPA capital budget. (Budget report attached to these minutes.)

VI. New Business

a. Capital Projects Financing – Discussion

Paula Meyer and Wendy Ryerson presented information prepared by PMA Securities, demonstrating several annual payment scenarios if the Board were to issue bonds for some of the large capital projects under consideration. As one example, issuing \$5,000,000 in bonds for 15 years at a rate of 3.80% would require an annual payment of approximately \$460,000. Alternatively, \$5,000,000 in bonds for 20 years at a rate of 4.00% would result in an annual payment of approximately \$396,000.

The Committee took the information under advisement, pending future decisions on the remaining \$2,000,000 of ARPA reserve funds.

The Committee determined there was no need for the two remaining budget meetings, Sept. 6th and Sept 27th. The County levy will be prepared and presented at a regularly scheduled meeting in September or October.

Chair Schielein thanked Treasurer Paula Meyer, Deputy Treasurer Paul Rudolphi, and Administrator Wendy Ryerson for their work to complete the FY 2023 Budget. He noted the process of reviewing budget requests and highlighting items of significant change by county administration was an effective way to focus the Finance Committee hearings towards those line-items or topics that will have the greatest overall impact to the budget.

VII. Executive Session (None)

VIII. Adjournment

Motion to adjourn at 10:59 a.m. Moved by Kitson; Seconded by Bivins; Motion carried by voice vote.



To: Finance Committee
 From: Paula Meyer, Wendy Ryerson, and Paul Rudolphi
 Date: August 24, 2022
 Subject: Balancing the 2023 Budget

The original department requests for the FY23 General Fund budget resulted in a deficit of \$172,170. During the budget meetings, the following changes were discussed and approved creating a deficit of \$330,027.

Deficit 7/26/2022		(\$172,170)
	Revenues:	
	Sheriff Fees were budgeted a little lower than trends suggest so the budget was increased from \$90,000 to \$115,000	25,000
Subtotal		(\$147,170)
	Expenses:	
	The Board is more comfortable having a contingency so a budget was established for \$100,000	(100,000)
	The Public Defender requested additional legal services for "No Bond" of \$30,000	(30,000)
	Treasurer's office employee benefits were under budgeted by \$19,646.	(19,646)
	Circuit Clerk's office employee benefits were under budgeted by \$10,559 for the additional employee requested	(10,559)
	St. Attorney's office employee benefits were under budgeted by \$24,594 for the additional employees requested	(24,594)
	ROE's office employee benefits were under budgeted by \$3,558).	(3,558)
	The employee benefits for the overlapping Co Administrator was under budgeted by \$5,000.	(5,000)
	The Maintenance Dept. added \$5,000 for the ADS maintenance agreement	(5,000)
	The Coroner will be using the 911 Dispatch Center instead of an answering service, saving \$5,000	5,000
	The Coroner wants his PT employees to cover every weekend. He over estimated that cost so the PT salary budget was reduced by \$7,500	7,500
	IT office employee benefits were over budgeted by \$3,000.	3,000
Deficit 8/9/2022		(\$330,027)



The County Administration is suggesting the following changes to balance the FY23 General Fund budget.

Deficit 8/9/2022		(\$330,027)
	Revenue increases:	
	After another review, the increasing Income Tax revenue appears to be continuing from the State, so the budget was increased by \$210,000	210,000
	The revenue from Dixon for the dispatchers appears to be trending about \$20,000 higher than originally estimated.	20,000
	The reimbursement from the State for the St. Attorneys appears to be trending about \$10,000 higher than originally estimated.	10,000
	The County will be begin to receive franchise fee from Comcast. The budget is estimated at \$20,000	20,000
Subtotal		(\$70,027)
	Expense increases:	
	The Zoning office would like to purchase software to track violations at a cost of \$12,000	(12,000)
	Hiring a consultant to lead the County through the Property Casualty insurance bidding process is estimated at \$15,000	(15,000)
Subtotal		(\$97,027)
	Expense reductions:	
	Co Clerks' office employee benefits were over budgeted by \$7,000	7,000
	The election cost should be less in FY23 because it is an "off" year. The expense was reduced by \$24,844	24,844
	The Circuit Clerk is not going to add staff for "No Bond at this time. Employee costs will be reduced \$35,066	35,066
	Due to "No Bond" the Sheriff's budget for inmate meals was reduced by \$10,000	10,000
	Due to "No Bond" the Sheriff's budget for inmate medical was reduced by \$12,790	12,790
	Vacation and weekend coverage for the Coroner calculates to \$18,500 not \$26,000, so the PT budget was reduced by \$7,500	7,500
Final Surplus		\$173

**Lee County
Capital Plan**

		FY23 Proj	FY24 Proj	FY25 Proj	FY26 Proj	FY27 Proj
Estimated Beg. Funds		6,000,000	2,560,100	1,590,100	1,192,100	912,100
Dept	Item					
Buildings	Carpet Replacement	35,000	35,000	35,000	35,000	35,000
Buildings	Courts HVAC ground	510,000				
Buildings	Courts HVAC roof	1,300,000				
Buildings	Old Crthse Plaster Repair	144,000				
Buildings	LEC Control Replace (priority?)	124,000				
Buildings	Hway Building (band-aid?)	1,000,000				
IT	Hardware and Software	97,000	100,000	100,000	100,000	100,000
EMA	8 New Computers	8,000				
Sheriff	Bullet Proof Vests	9,500				
Sheriff	21 Mobile Squad Computers	33,000	33,000			
Sheriff	Squads	142,000	145,000	145,000	145,000	145,000
Sheriff	Rifles	37,400				
Buildings	Retaining wall		145,000			
Buildings	Old Crthse Roof		135,000			
Buildings	New Crthse Roof		97,000	118,000		
Sheriff	Body Cameras		280,000			
		<u>3,439,900</u>	<u>970,000</u>	<u>398,000</u>	<u>280,000</u>	<u>280,000</u>
Estimated End Funds		<u>2,560,100</u>	<u>1,590,100</u>	<u>1,192,100</u>	<u>912,100</u>	<u>632,100</u>

Per 8-29-2022 Finance Budget meeting: \$124,000 for LEC Control Replacement was reallocated to FY 2024.

**Lee County
ARPA Capital**

	<u>FY22</u>	<u>FY23</u>
2022 Capital Allocation	1,500,000	873,361

Projects

Boiler - Courts Building (Addition)	209,800	
Board Chair Conference Room	24,000	
Move IT Servers to Courts Building	47,773	
Network switches	9,626	
Lead abatement (Former Jail)	5,500	
Courts Building Elevator	300,000	
Asbestos Removal (Former Jail)	29,940	
Boiler - Courts Building (Original)		270,000
Generator - Courts Buildings		377,000
Former Jail - Phase 1		80,000
Elevator Repair - Old Crthse (Band Aid?)		121,000
	<u>626,639</u>	<u>848,000</u>
Remaining Allocation	<u>873,361</u>	<u>25,361</u>