

**FINANCE COMMITTEE
MINUTES
July 1, 2009**

The Finance Committee of the DeKalb County Board, met on Wednesday, July 1, 2009 @7:30p.m. in the Administration Building's Conference Room East. Chairman Michael Haines called the meeting to order. Members present were Ken Andersen, John Hulseberg, Scott Newport, Ruth Anne Tobias and Mark Todd. Mr. Stuckert and Mr. Stoddard were absent. Others present were Gary Hanson, Joan Berkes-Hanson, Christine Johnson, James Scheffers and Aaron Ruder.

APPROVAL OF THE MINUTES

Moved by Mr. Todd, seconded by Mr. Andersen and it was carried unanimously to approve the minutes from May 6, 2009.

APPROVAL OF THE AGENDA

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

FY2010 BUDGET PROCESS AND CALENDAR

Mr. Gary Hanson, Deputy County Administrator, said that the traditional calendar has been the method that we have used for many years. Mr. Steve Walt's proposed changes are also on the tables tonight. He said that he and Mr. Bockman, the County Administrator have always tried to meet the service levels that the public wants. They have always presented a balanced budget also. The normal process would then have the appeals to the budget filed by late September of every year. The standing committees, who successfully pass the appeals, then forward them to the Finance Committee for consideration. The Finance Committee then will weigh all of those changes to the Administrative Recommendations and try to re-balance the budget. In November of each year the Finance Committee holds the public hearings for the budget, too.

Chairman Haines said that Mr. Walt has 3 proposed changes suggested for the budget calendar. The first proposal would have the County Board, rather than the Finance Committee, adopt the budget calendar. He said that the second one is item #G, that states an appeal would be assigned a title based on its purpose rather than the member who filed the appeal. Chairman Haines said that he didn't really have a problem with this suggestion. The third item found under item #G also states that appeals will then be reviewed by the appropriate Board Committee, it will be forwarded to the full County Board for a vote in October. Chairman Haines does have a problem with this suggestion because it takes away this responsibility from the Finance Committee.

Ms. Ruth Anne Tobias said that she also agrees with Chairman Haines. She said that we could try the title suggestion and if it doesn't work then we can always change it back. She also said that we could put the name last on the appeal.

Mr. Hanson pointed out that the names are on the appeals so a county board member could ask that member, who filed the appeal, questions on their appeal and what their rationale is for it?

Chairman Haines said, so as an example we could label the appeal with a title, print the rationale for the appeal next and then have the person's name that filed the appeal at the end.

Moved by Ms. Tobias, seconded by Mr. Newport, to accept Mr. Walt's suggestion under item #G. of his proposal to assign a title to each appeal based on its purpose rather than the member who filed the appeal.

Chairman Haines asked if anyone had any discussion or question on the motion?

Mr. Andersen, asked if it was possible to ask Department Heads to reduce their budget by 2%, would this be the appropriate time, since we know that our revenues will be down?

Mr. Hanson said that there would be notices going out to all department heads tomorrow or early next week speaking about the budget. He felt it was too early to look at across –the-board cuts and that is not always the best solution.

Chairman Haines asked when would we know our revenue projections?

Mr. Hanson said that our property taxes are being tied up with Cortland and DeKalb Township assessors who are not giving us the data even though it is due. He also said that trends are down, but not as much as you might think.

Chairman Haines asked for the final vote on the Motion to accept the adoption of the budget calendar with the one change? The motion carried unanimous.

Mr. Todd said to Mr. Hanson, that a few months ago he had talked about the shortfall in the pension area. Have you and Mr. Bockman talked about how we will approach this?

Mr. Hanson said no, we haven't, but it is on our list to do and that it will be done by this August. We are hoping that Mr. Todd will be able to help us with it. He also said that the County would have to look at health insurance too.

Mr. Hanson mentioned other items that may affect the budget like a resolution coming from the Law and Justice, who accepted a report from the Courthouse Committee, regarding the courthouse expansion. The resolution is accepting the report and asking Mr. Bockman and Mr. Hanson to come back to their committee to make a recommendation on how to fund both the courthouse expansion and the jail. That will come back to the Law and Justice Committee and the Finance Committee. Mr. Hanson said that we are finding some really low interest rates and construction costs right now so that is one reason we are looking at this now and take advantage of them. The costs for the courthouse expansion range between \$10 to \$12 million. The jail would range between \$20 to \$30 million depending on what the board wants and the amount of additional beds.

Mr. Hanson said that there would be two elections next year also with costs of up to \$40,000 to \$50,000.

Mr. Andersen then asked if each committee could review the claims each month for the departments that report to them? A lot of the claims that he sees are involving travel. It helps him to understand what is going on. He would also like to see some sort of bidding process – instead of having a certain vendor that we have used for years. Mr. Andersen continued by suggesting that, the first of the year say, is when to have bids let out so that different vendors could give us better prices.

Mr. Hanson said that we have a formal bidding process with \$20,000 for construction and \$25,000 for Technology. Our department heads are being very frugal here and usually will get quotes even when normal bids are not needed.

Chairman Haines said that one thing that we could have is a discussion of claims on all of the standing committees' agendas each month like we do with approval of the minutes, approval of the agenda, etc.

Ms. Tobias said that you could always call any of the department heads and ask questions. We have to be careful of not going into micro managing the departments, too.

After a brief discussion, the committee agreed to recommend the item to the Executive Committee for discussion.

ADJOURNMENT

Moved by Mr. Andersen, seconded by Mr. Newport, and it was carried unanimously to adjourn the meeting.

Respectfully submitted,

Michael Haines, Chairman

MH:mcs