

**FINANCE & ECONOMIC DEVELOPMENT COMMITTEE  
COUNTY BOARD ROOM  
TUESDAY, MAY 14, 2019  
MINUTES  
6:00 PM**

**1. Call to Order**

**2. Roll Call** –Chuck Nagel (chairman), Richard Hill (vch.), Russ Cotton, Bryant Kempf, Josh Davis all present.

**3. Approval of Minutes**

a. Approval of April 9, 2019 regular meeting minutes

Motion to approve April 2019 minutes made by Kempf, seconded by Cotton. *Motion passed.*

**4. Public Input**

**5. Approval of Claims**

Motion to approve May claims made by Cotton, seconded by Kempf. *Motion passed.*

**6. Treasurers Report**

Ms. Andrews presented the Treasurer's report. So Brite has paid off their revolving loan. She added a discount column to show the ending balance of what was paid on the loan. The other loans need to make a decision what option they are going to choose. The tax bills have been mailed, and will collect over 75 million dollars.

**7. Budget**

a. Contingent funding and new contracts

We knew contracts were going to be negotiated but were not budgeted for. We need to start budgeting for the expenses that we know are coming up. We keep shuffling money around to cover expenses. This will go along with 8a below and will be discussed further.

b. Discussion on due date

This is for when budgets are due and will be discussed below.

**8. New Business**

a. Approval of the Operating Reserve Policy

There are two pieces to this policy – setting an absolute minimum of what the reserve fund should be and turning in extraordinary expenses. Department heads need to put together a list of what they see coming up. There is more in reserves than what is recommended. There is a possibility of the state coming in and sweeping those accounts for state use. We need to make sure the money is being spent efficiently. We need to follow the Highway Department in budgeting for major expenses. The county can make a list of the major expenses and the order to address the expenses. There needs to be a minimum amount set in reserves. Discussion what that amount should be and it is felt 6 months of reserve funds should be held. That amount is approximately \$4,670,000. Contingency fund also needs to be increased. We keep using money out of it for expenses that keep arising that are not budgeted for, but should have been. This will require the committee to be on top of the budget. Motion to send Operating Reserve Policy to the Board with a 6 month reserve made by Cotton, seconded by Davis. *Motion passed with 1 nay vote.*

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b. Discuss suggested process for budget development

The budget process we have been using for the past several years as structural problems. All checks and balances will still be in place with the new process. In the past, as a department present its budget to their oversight committee it was scrutinized and picked apart for as little as a \$100 increase. Then it went to finance, and was scrutinized again. Finally it went to the Board and again was scrutinized. All that was done without having an overall budget number. Department heads are either elected or appointed by the Board, and they know what their fiduciary role is and what it cost to run their office. Mr. Nagel would like to change the past process. Departments would create their budget and give to the Treasurer for her to compile in the budget document by the end of June. At the July Finance meeting half of the department will present their budgets. The plan is not to go through the budget line by line, but for the department head to give an explanation for any changes in their budget. In August the other half of the departments will present to the committee. In September the Finance Committee will review the proposed final budget. If the overall budget is too high, the committee may say that a percentage needs to be cut. The department heads will then make the decision as to what in their budget they can cut. October the full board will receive the budget for review and in November approve the budget. In the past we have kept to a zero percent discretionary. However, expenses keep popping up and then we have to find money to cover those expenses. As prices go up, we have to be able to budget for that increase. Department heads will have to justify any increase. While no one on the committee likes the past process, Mr. Kempf does not approve of this process, but the rest of the committee is willing to give it a try for a year. The full board will still overview and approve the whole budget.

c. Review and discuss matrix for RLF Grants approval

There are two questions that we need to look at – 1) what projects will qualify, and 2) it is no longer 1.6 million since some of the loans will be bought out, so what is the amount we are working with. Jim Cummings from GPEDC went over the projects submitted briefly and stated which project will in most likelihood not be eligible for grant money. The projects have to have something to do with architectural barriers. It cannot be a new project, it has to already be in existence. Once we take out the projects that do not meet the qualifications then the committee needs to decide which projects to fund. Once they get to the choosing projects the committee will also have to look at what the municipalities can afford. If we award partial money to an entity, but the entity can't afford to chip in the remainder of the project then there is a problem. It was pointed out that some of the projects proposed have already been started by the municipalities. A municipality cannot be reimbursed for a project. Discussion on the dollar amount to write in the application. We will round numbers up so we have a cushion. What money is not used in the first round will be held over for the second round. Sally Hanley will draft a letter to send to the current revolving loan participants advising them that they have till June 30<sup>th</sup> to decide on their options. This will give us a better idea of the amount of grant money available to us. We also have to consider the engineering and oversight fees when calculating the money. The time line we created says that we need to decide on projects by August, but we can adjust that if need be. It was suggested that Sally's letter to the revolving loan participants include a response for them to mail back to us. That way we have something in writing from them and can call their loan if they don't follow through.

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Dave Fever from El Paso presented his matrix. He gave each entity one point and 5 points to the County. He also used population, and EAV to help calculate the amount of grant money the municipalities/townships could possibly receive. As a project is eliminated, the money amounts will change. This matrix will be used as a guide in determining the amount of money to award to each entity. It doesn't not speak to the need or hardship of a community, but that cannot be put into a calculation. But we could calculate the percentage of elderly and handicap in the community and add that into the equation. Discussion on Spring Bay and Bayview Gardens and how they fall in with Grandview Drive in Peoria for purposes of income, therefor making it seem like they are not hardship communities.

d. Review and discuss RLF Grants submitted

The committee will take the next month and review the binder of projects for discussion at the June meeting.

e. Discuss Grosenbach's foreclosure

It was stated that signing a release of the Grosenbach's loan does not stop us from taking legal action against them. Agreement of the committee is to sign a release, but take legal action. Direction was asked of State's Attorney Minger, but no response has been received. Motion to send to the full Board a request to sign a release for the loan of Grosenbach Grocery made by Davis, seconded by Cotton. Roll call vote – Cotton, yes; Hill, yes; Kempf, yes; Nagle, yes; Davis, yes. *Motion passed.*

f. Funding for Tri-County Membership

Right now the municipalities pay Tri-County directly. If someone agrees to opt out, then we have to come back and pay for the seat when we didn't budget for it. The MOU would have to be changed. Tri-County budget year is July to June while our budget year is December to November. We will start doing this next budget year. Motion to amend Tri-County MOU funding structure made by Kempf, seconded by Hill. *Motion passed.*

g. Update on GPEDC

Information provided on organic farming of industrial hemp. This would be another avenue for our farmers. There is a catch twenty two here in that it raises revenue for the state but also creates health issues. GPEDC puts on a Career Spark event that is a very hands-on, organized event for students to look at different careers. This goes along with what the committee has been talking about for getting skilled workers.

h. Update on Tri-County

Tri-County did not meet last month.

i. Discussion/approval of Federal Grants Management Policy

This policy was created by our auditors. It is the rules and regulations that we have to follow in order receive grant money. Motion to approve the Federal Grants Management Policy and move to the full Board made by Hill, seconded by Cotton. *Motion passed.*

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**9. Unfinished Business**

**10. Other**

The committee wants to thank Sally Hanley, Jim Cummings, and David Fever for their work.

**11. Executive Session**

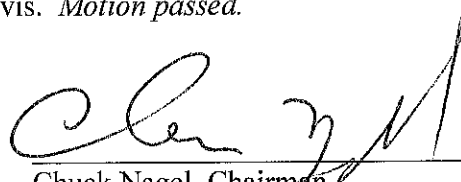
**12. Any Action Coming Out of Executive Session**

**13. Adjournment**

Motion to adjourn made by Hill, seconded by Davis. *Motion passed.*

Meeting adjourned at 8:15.

Submitted by: Deb Breyman

  
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Chuck Nagel, Chairman  
Finance Committee