



Kane County

KC Finance and Budget Committee

Meeting Minutes

Government Center
719 S. Batavia Ave., Bldg. A
Geneva, IL 60134

BERMAN, Lenert, Juby, Lewis, Sanchez, Surges, Tepe, ex-officios Roth (County Vice Chair)
and Pierog (County Chair)

Wednesday, March 26, 2025

9:00 AM

County Board Room

1. Call To Order

Chairman Berman called the meeting to order at 9:00 AM.

2. Roll Call

PRESENT	Board Member Dale Berman Board Member Bill Lenert Board Member Leslie Juby Board Member Anita Lewis Board Member Jarett Sanchez Board Member Clifford Surges Board Member Vern Tepe Ex-Officio County Board Vice Chair Bill Roth Ex-Officio County Board Chair Corinne M. Pierog
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Also present: Co. Bd. Members Allan*, Bates, Gripe, Kious*, Molina*, Penesis*, Strathmann; Treasurer Lauzen; Auditor Wegman; Fin. Exec. Dir. Hopkinson; ITD/BLD Exec. Dir. Fahnestock & staff Lasky, Peters; SAO staff Frank, Hunt*; HRM Exec. Dir. Loblillo; KDOT Dir. Zakosek & staff Rickert*; KCHD Exec. Dir. Isaacson & staff Snowden*; KCAC Admin. Youngsteadt; KaneComm Dir. Guthrie; and members of the press and public.

3. Remote Attendance Requests

There were no remote attendance requests for today's meeting.

4. Approval of Minutes: February 26, 2025

RESULT:	APPROVED BY UNANIMOUS CONSENT
MOVER:	Vern Tepe

5. Public Comment

Michelle Bettag, St. Charles, stated that she has been attending the town hall meetings across Kane County. She has listened to County Board Members explain why it is a must to get the retail sales tax passed in order to maintain a healthy and safe lifestyle in Kane County. She addressed what citizens are not being told, such as the increased spending of 88% in four years, increased taxes, funding received from COVID, the American Rescue Plan Act (ARPA), and earned interest income. Bettag spoke on the

changing definition of public safety that has been shared at the town meetings. She concluded that public safety includes, but is not limited to, crime prevention, detention, fire fighting, police, medical, ambulance, et cetera. She addressed the "not limited to" clause. At the Elgin Town Hall Meeting, it was mentioned that the retail sales tax would help with installing lactation rooms and repairing leaking pipes. Bettag stated that the proposed 0.75% retail sales tax would generate an additional \$51M, which is a 47% increase in the County's General Fund. She noted that the public safety scare tactic is mind numbing and she is tired of seeing Madam Chairman Pierog, Board Members, and specific departments not being told "no". Bettag stated that the County should have a spending freeze. She explained that when the public is being told that this proposed sales tax revenue would be placed into a special fund, it is not true. According to the Illinois Department of Revenue, David Harris, the County Board can decide on where this additional revenue could be placed. Bettag stated that this will become a slush fund for projects. If the County was in the financial bind that has been stated, none of the projects listed would be considered.

Brian Anderson, Sugar Grove, mentioned that he came today to listen to the Finance Committee meeting. However, he chose to address the Committee after he saw County Board Member, Mavis Bates, District 4, attending. He recalled the ninth Kane County Retail Sales Tax Awareness meeting article published in Kane County Connects. He spoke on his embarrassment that the Sugar Grove Town Hall Meeting was cancelled. He explained that the meeting was cancelled not due to a Board Member, who should have known the proper protocol, but because a Kane County citizen noticed that the location of the scheduled meeting was at a polling place, in which electioneering is not allowed. Anderson stated that he met with the Sugar Grove citizen and thanked him. He noted that the Kane County Board Member that was hosting this event should have known this and held the meeting, elsewhere. He stated that if the Board cannot handle the small details, they certainly cannot handle the big ones.

6. Treasurer's Report (C. Lauzen)

A. Monthly Report

Treasurer Lauzen stated the monthly report was on file. He explained that a point being made at the Town Hall awareness meetings needs correction. That the public has been told that the tax freeze has caused the need for the referendum and that the County left money on the table during this freeze. He noted that this is not an accurate assessment. He mentioned that today's presentation will show a historical record on how much tax relief was provided in the past. He explained that all money that is earned/saved belongs to the government and it is up to them on how much each entity gets to keep. Lauzen stated that the total tax relief that was provided to the County during 2020 was \$119M, which included the Kane County Forest Preserve. He mentioned that the County was in such solid condition, that there were surpluses each year, more revenue than expense, and the County was able to pay down the public debt by 70%. Lauzen referenced the January 29, 2025 Finance Committee meeting's financial reports. In this report it showed that between 2014 to 2022, the County had more revenue than expenses. However in 2024, the County's

expenses were more than revenue. Finally, Lauzen addressed the notion that there was no increase to taxes and/or revenue that the County receives, which is false. He explained that the "Other Taxes" listed in the report include the State Sales Tax and Income Tax that went from approximately \$28M to \$37M. Lauzen stated he has become physically ill when sitting in these town hall meetings and hearing the misdirection to taxpayers. Lauzen spoke on the Actual Performance of Interest Earned Fiscal Years 2023 thru 2025. He stated that the projected interest income is approximately \$16M to \$17M per year. He presented the Kane County - Portfolio Analysis - February 28, 2025 - Summary. He explained that he has shifted some of the balances between the two managers, Vectors and PFMAM. He stated that he has shifted more money into Vectors for a higher return. Lauzen provided a new presentation of information that described where the County was a year ago versus now. The difference in total demand and investment balances have decreased by approximately \$24M. Lauzen stated that \$20M times 5% equals the County having \$1M less to spend because of using up fund balances. He spoke on the FY25 Funding Needs and Liquidity. Because the County is spending down account balances, the Treasurer's Office picks the lowest interest earning accounts to transfer money in to cover the spending obligations that are created. Lauzen commended Vectors Asset Management for being recognized as the PSN Top Guns List of Best Performing Strategies for Quarter Four 2024. He presented the Interest Earned Fiscal Years 2019-2024. He mentioned that this graph depicts the interest earned and where it is being distributed throughout the County. He explained that he was challenged publicly on whether interest income can be fully aggregated. He stated that a study was conducted by an outside law firm, which concluded that between 40% to 50% of all interest in various funds that is not obligated or come from fees and levies can be aggregated into County funds. This choice is at the mercy of the County Board. (Madam Chairman Pierog arrived in-person at 9:21 a.m.) Lauzen spoke on the interest figures according to the USInflationCalculator.com. He addressed the impact of inflation over the last four years. If one had savings and/or earnings of a dollar in 2021, the value of that dollar would have depreciated to \$.82 in 2024. This is a loss of 17.5% of every dollar earned or saved. Lauzen addressed questions and comments from the Committee. Much discussion ensued.

7. Auditor's Report (P. Wegman)

A. Monthly Report

Auditor Wegman stated the monthly report was on file. She mentioned that the Auditor's Office sent out the Quarterly Report to all Board Members. She stated that the format of the report has been updated to make it come comprehensible.

B. Approving February 2025 Claims Paid

KC Executive Committee

RESULT:	MOVED FORWARD BY ROLL CALL VOTE
TO:	KC Executive Committee
MOVER:	Clifford Surges
SECONDER:	Jarett Sanchez
AYE:	Dale Berman, Bill Lenert, Leslie Juby, Anita Lewis, Jarett Sanchez, Clifford Surges, and Vern Tepe

8. Finance Director's Report (K. Hopkinson)

A. Monthly Finance Reports

Fin. Exec. Dir. Hopkinson stated the monthly financial reports were on file. She explained that the fiscal year budget process has usually begun by now, but was requested to hold off until the results of the April Consolidated Election was known. She noted that the Finance Department is fully prepared to begin working with County departments/offices to start the process. Hopkinson stated that the 2025 Budget Book should be finished by Monday, March 31, 2025. She explained that the Budget Book is a compilation of all the schedules and narratives from all departments. She mentioned that the 2024 annual audit process has continued. She is hopeful that it will be finished by the May 31, 2025 deadline. There are still some transactions from offices that are behind schedule that may impact the completion. Hopkinson highlighted the work of the Finance Department. She explained that Finance staff works with the departments to conduct trainings on financial matters to help gain a better understanding. She encouraged all to participate in these trainings, if able. She requested feedback on the kinds of trainings the departments/offices would like to have. These trainings help address the hurdle of receiving information in a timely matter for better financial reporting. Hopkinson and ASA Frank addressed questions and comments from the Committee. Much discussion ensued.

9. New Business

A. Amending Kane County Financial Policies Related to Travel

Committee Member Juby explained that at the Human Services Committee meeting it was determined to send a policy through for the County Board Members, but also the Chair. However, on the resolution, there is not a reference to the County Chairman, just to the County Board Members. On the policy itself, it does reference the members and the chairman. She questioned why this was not reflected within the resolution. HRM Exec. Dir. Loblillo stated that an amendment could be made to this resolution to include the chairman. The resolution's WHEREAS clauses were established to address why the policy was written. The resolution adopts the policy as written in Exhibit A.

Juby motioned to amend the fourth WHEREAS clause within this resolution that stated, "WHEREAS, the Kane County Code, Section 2-72: Travel Expenses Generally, provides for reimbursement for the expenses of county board members; and" to "WHEREAS, the Kane County Code, Section 2-72: Travel Expenses Generally, provides for reimbursement for the expenses of county board chairman and members". Additionally, the WHEREAS clause that states, "WHEREAS, it is necessary to amend section (f) of the Kane County Financial Policies, Travel Policy, to include an approval process and additional limitations for county board members outlined in Exhibit A" should also include the county board chairman and members. Committee Vice-Chairman Lenert seconded the amendment. Discussion ensued. (Committee Member Allan arrived remotely at 9:52 a.m.) Motion carried unanimously by roll call vote.

KC Executive Committee

RESULT:	MOVED FORWARD BY ROLL CALL VOTE
TO:	KC Executive Committee
MOVER:	Clifford Surges
SECONDER:	Bill Lenert
AYE:	Dale Berman, Bill Lenert, Leslie Juby, Anita Lewis, Jarett Sanchez, Clifford Surges, and Vern Tepe

B. Authorizing New Job Position and Emergency Budget Adjustment to Fund 101 for the GIS-Technologies Department

Committee Member Juby voiced her reasoning to support this new job position. She stated that this position will be funded by fees and money not needed to be found in order to support it. She explained that this job position remained opened and was removed from the FY2025 Budget. However, after a fee study, it was found that the fees could be increased, which would sustain the salary of this position. Committee Vice-Chair Lenert inquired about any verification that this position will be fully funded by fees. ITD/BLD Exec. Dir. Fahnestock explained that this is a Geographic Information System (GIS) position, which is funded by a Special Records Fee. He mentioned that a fee study was conducted, which allowed the County to increase the fee amount. He explained that due to the County's fiscal restraint this vacant position was removed from the FY2025 Budget, but since the increase in fees occurred, GIS is seeking to reestablish it. Fahnestock stated that the fees have been a reliable revenue stream from recorded deeds and property transactions. He explained that the projection of this years revenue would support this position for future years. Discussion ensued.

KC Executive Committee

RESULT:	MOVED FORWARD BY ROLL CALL VOTE
TO:	KC Executive Committee
MOVER:	Leslie Juby
SECONDER:	Jarett Sanchez
AYE:	Dale Berman, Bill Lenert, Leslie Juby, Anita Lewis, Jarett Sanchez, Clifford Surges, and Vern Tepe

- C. Authorizing Reimbursement to the Kane County Sheriff’s Office for Costs Expended for the Administrative Wing Project (Resolution No. 23-394)
- Fin. Exec. Dir. Hopkinson explained that the last paragraph of this resolution mentions that the Kane County Finance Department is directed to take all steps to facilitate and process this reimbursement payment, et al. However, the Finance Department does not process payments. Hopkinson and ASA Frank addressed questions and comments from the Committee. Much discussion ensued.

Committee Member Juby motioned to call the vote, Surges seconded. Motion passed by a 5-2 vote.

KC Executive Committee

RESULT:	MOVED FORWARD BY ROLL CALL VOTE
TO:	KC Executive Committee
MOVER:	Bill Lenert
SECONDER:	Jarett Sanchez
AYE:	Dale Berman, Bill Lenert, Leslie Juby, Anita Lewis, Jarett Sanchez, Clifford Surges, and Vern Tepe

- D. Authorizing Number of Procurement Cards Issued to the Building Management Department and Each of Their Transaction Limits

RESULT:	APPROVED BY ROLL CALL VOTE
MOVER:	Clifford Surges
SECONDER:	Bill Lenert
AYE:	Dale Berman, Bill Lenert, Leslie Juby, Anita Lewis, Jarett Sanchez, Clifford Surges, and Vern Tepe

E. Establishing an Attrition Program for Kane County Personnel

Committee Member Surges asked for caution and kindness when addressing HRM Exec. Dir. Loblillo. He explained that the County Board asks Loblillo often to complete tasks that no one else is willing to do and then is targeted as the "bad guy". He noted that this resolution is not Loblillo's opinion. This resolution was written up by Loblillo at the request of the Board. He thanked Loblillo.

HRM Exec. Dir. Loblillo explained that the provisions of this resolution was drafted from the feedback from County Board Members. This resolution would put a hiring freeze on County departments and establishes a process, by which, if a department head does not feel they can accommodate the vacancy and needs the position filled, they go to a group of people who can evaluate if there are other resources within the County, such as general fund employees, before a position is hired. She mentioned that it is not up to this group to determine, if this position has to be filled but rather the best way to fill it. When the County has had hiring freezes in the past, a process was not established on how to address the situations where a position needs to be filled, which caused those hiring freezes to be ineffective. Loblillo mentioned that Kane County is currently in a hiring freeze. She explained that the approval process in place is inconsistent between departments and has become a process in which the Board does not have the proper information to make an informed decision. Loblillo addressed questions and comments from the Committee. Much discussion ensued.

Committee Member Juby motioned to send this resolution to the next Human Services Committee meeting, Surges seconded. Discussion ensued. Madam Chairman Pierog recommended that a department head who confers with all other department heads is selected to seek their opinions and/or concerns on this matter. The report would then be brought to Human Services. Committee Member Lewis requested that the matters that need to be further discussed is the criteria in which this evaluation panel would evaluate the job positions, the members of the evaluation group, and final reports of grant funded departments. Further discussion ensued. Motion carried unanimously by roll call vote.

KC Human Services Committee

RESULT:	HELD OVER
TO:	KC Human Services Committee
MOVER:	Clifford Surges
SECONDER:	Leslie Juby
AYE:	Dale Berman, Bill Lenert, Leslie Juby, Anita Lewis, Jarett Sanchez, Clifford Surges, and Vern Tepe

10. Old Business

None.

11. Reports Placed On File

RESULT:	APPROVED BY UNANIMOUS CONSENT
MOVER:	Jarett Sanchez

12. Committee Chairman's Comments

None.

13. Executive Session (if needed)

None.

14. Adjournment

RESULT:	APPROVED BY VOICE VOTE
MOVER:	Bill Lenert
SECONDER:	Leslie Juby

This meeting was adjourned at 10:44 AM.

Savannah Zgobica
 Sr. Recording Secretary