



# 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)

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**Wednesday, April 23, 2025**

**9:00 AM**

**County Board Room**

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**1. Call To Order**

Chairman Berman called the meeting to order at 9:01 AM.

**2. Roll Call**

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| <b>PRESENT</b> | Board Member Dale Berman<br>Board Member Bill Lenert<br>Board Member Leslie Juby<br>Board Member Anita Lewis<br>Board Member Jarett Sanchez<br>Board Member Clifford Surges<br>Board Member Vern Tepe<br>Ex-Officio County Board Vice Chair Bill Roth<br>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; KCHD Exec. Dir. Isaacson\* & staff Snowden\*; HRM Exec. Dir. Loblillo; SA Mosser\* & staff Frank, Hunt\*, Shepro\*; ITD CIO Lasky & staff Peters; KCAC Admin. Youngsteadt\*; 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: March 26, 2025**

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| <b>RESULT:</b> | <b>APPROVED BY UNANIMOUS CONSENT</b> |
| <b>MOVER:</b>  | Jarett Sanchez                       |

**5. Public Comment**

Kane County resident, Jenine Mehr, spoke on the FY2026 budget. She stated that prior to 2021, Kane County operated responsibly. For years, the County's General Fund expenses held at \$75M per year. Since then, Madam Chairman Pierog took over leadership and temporary COVID Relief funds of approximately \$200M were received over a three year period. Mehr explained that this windfall masked the reckless spending. She stated that the County Board irresponsibly passed a \$138M budget for FY2025. Now, the County will not have federal aid to support this large budget and no

reserves to spend. The County's General Fund revenues are \$110M, while the County's expenses are \$138M. Mehr stated that the County is in an emergent fiscal situation. She questioned the County Board's ability to no longer pass promises made. She spoke on the County Board's first ever County Retail Sales Tax Referendum. Over 75% of County residents voted against this tax increase. This was a vote against runaway government and a mandate to return back to fiscal sanity. Mehr stated that the County needs to do what responsible leadership demands. The County needs to cut spending, live within their means, and protect taxpayers. A balanced budget is not optional, but the Board's duty. Increasing taxes on residents is not an option for the County's mismanagement of funds. Mehr recommended that a citizen led financial review board composed of those in the financial field be developed to work alongside the Finance Committee in order to find responsible, sustainable ways to balance the budget. She stated that fiscal responsibility demands transparency and collaboration.

Kane County resident, Ginger Romano, thanked Committee Member Sanchez for being focused and paying attention to what speakers are saying. She commended Treasurer Lauzen for his ability to keep sound books and investments. She continues to appreciate the notes Lauzen addresses in this monthly reports, in which he has been chastised for by some of the County Board Members. She explained that Lauzen provides constituents with valuable snap shots from reliable, trusted, and accurate sources of the financial trends of local, state, and national economies and other business trends. These reports are a helpful guide for the County Board's financial decisions. Romano stated that it is a gift for the County to have a someone smart enough to find the talent to help keep track of the finances. Lauzen is an asset to the County. Referencing page 30 of the agenda packet, Romano explained that the State of Illinois is the highest taxed state in the nation and how citizens are struggling. She addressed being environmentally responsible regarding transportation for Board Members and staff. She suggested that the members and staff utilize public transportation if fiscally responsible, instead of using personal or County owned vehicles to travel to the City of Chicago. She questioned the need for the Kane County Health Department (KCHD) \$50K vehicle, when there are unused County owned cars sitting in parking lots.

## **6. Treasurer's Report (C. Lauzen)**

### **A. Monthly Report**

Treasurer Lauzen stated the monthly report was on file. He stated that the total interest earned in March 2025 was approximately \$1.5M. The County has the potential to collect approximately \$15M to \$18M this year. This amount is a decrease of about \$3M to \$6M from last year, which was \$21M. Secondly, Lauzen presented the March FY2024 to March FY2025 Cash Balance Comparison. He noted that there is about \$27M less in interest income to invest. He explained that if you take the \$21M times the 4.6% investment earnings, the County Board has \$1.2M less to spend. He stated that pages eight through ten of the agenda packet shows the detail of these comparisons. On page 11, Lauzen spoke on the Actual Performance Interest Earned Fiscal Years 2023-2025. For FY2023, interest earned was about \$17M. In FY2024, it was 21.624M. Currently, interest earned for FY2025 is \$5.7M. This is a total of

\$44.4M of interest earned on the County's savings. Lauzen spoke on the Kane County - Portfolio Analysis as of March 31, 2025. Overall, the County's interest earned rate is 4.6% for the duration of two years and nine months. Lauzen explained that a large component of the interest earned is from 43% of the County's investment with Vectors Management, LLC, and is in Mortgage Backed Securities. The yield for this sector is 5.4% with a duration of about 4.5 years. Lauzen stated that 43% of approximate 75% of the County's total portfolio means that about a third of the portfolio is earning at this rate.

**7. Auditor's Report (P. Wegman)**

**A. Monthly Report**

Auditor Wegman stated the monthly report was on file. She mentioned that the Auditor Office's Quarterly Report for FY2025 was included. Wegman addressed questions and comments from the Committee.

**B. Animal Control Petty Cash Audit**

Auditor Wegman presented the Petty Cash Audit for the Kane County Animal Control (KCAC). She reviewed each finding and auditor's recommendations and department responses. There were eight findings with four recommendations. Wegman explained that the Audit was to look into the KCAC's cash drawer, such as the reconciliation process and the documents associated with it. She stated that the first finding was in regards to making sure that the bank deposits match with the timing of receiving all the reconciliation information. Currently, KCAC is not receiving complete bank statements. The Auditor's Office is recommending that the KCAC receive these completed bank statements. Wegman explained that within today's presentation, the Committee will see the finding, recommendation, and the response to the recommendations. She noted that the KCAC and the Finance Department were provided the opportunity to respond to the recommendations. She explained that the Audit's second finding does not have a reconciliation policy that was readily available to the department. The recommendation for this matter is to allow the KCAC access to the Reconciliation Policy. Wegman stated that the County does not have a policy and/or procedure for the processing of cash. She recommended a policy and procedure be developed to address this. Lastly, Wegman explained that the County does not have a Petty Cash Policy. This needs to be developed because petty cash is utilized in many different ways throughout the County. Wegman stated that the Auditor's Office would like to express their appreciation to KCAC Administrator Brett Youngsteadt and staff Rita Meszaros for their cooperation and generous assistance provided during the audit. Wegman addressed questions and comments from the Committee. Discussion ensued.

**C. Approving March 2025 Claims Paid**

KC Executive Committee

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

**8. Finance Director's Report (K. Hopkinson)****A. Monthly Finance Reports**

Chairman Berman stated that the FY2026 Budget Discussion will be moved until after New Business.

Fin. Exec. Dir. Hopkinson stated the monthly financial reports were on file. She explained that the FY2024 Audit is still in process. She hopes to have the audit completed by the deadline of May 31, 2025. She mentioned that there is a new section within the Finance Director's Monthly Report that highlights the efficiency changes that the Finance Department has been working on to streamline operations. She explained that the County Departments/Offices need procedures on revenue recognition. Currently, the County has a solid Accounts Payable process and Payroll Processing process, but lacks a Revenue Recognition process. The biggest issue is that revenue recorded across the County is not being inputted into the correct month. The Finance Department is working towards a monthly close, which will take approximately a year to implement. In having this Revenue Recognition process, the County will bring more integrity to the financial information. Hopkinson explained that a lot of time is spent cleaning up the year-end financial books. If this is done correctly in the first place, it would help get financial information on a monthly basis. Hopkinson addressed questions and comments from the Committee. Discussion ensued.

The Committee moved onto New Business.

**B. 2026 Budget Discussion**

Fin. Exec. Dir. Hopkinson informed the Committee that at the end of this budget discussion, she will be seeking direction on when the budget process can begin. Typically, the County begins the budget process in March. Hopkinson stated that a minimum of two months is needed for all departments/offices to input their financial information. She noted that a draft budget is presented to the Finance Committee in July to be put on public display. The County's FY2026 Budget needs to be passed by November 30, 2025. Hopkinson provided the 2026

Budget Approach and Challenges. She explained that the FY2025 Budget is currently \$419,100,846. The FY2025 General Fund - General Account's budgeted expenses are \$140,463,827, which is 34% of the total County budgeted expenditures. The budgeted new revenues is currently \$112,660,094. The budget gap between new revenues and expenses is \$27,803,733, which is funded by fund balance reserves. Hopkinson noted that if the County continues to use fund balance reserves to pay for expenses in the General Fund - General Account at the current expense levels, the account will be depleted by 2027. She stated that the FY2025 Special Revenue Budget, over 112 funds, is currently \$278,637,019, which is 66% of the total County budgeted expenditures. Hopkinson addressed questions and comments from the Committee. Discussion ensued.

Hopkinson shared a graph depicting the General Fund - All Accounts - Fund Balance. She explained that the County's General Fund is composed of six separate accounts that are utilized for accounting purposes only. She explained the reasoning behind having these six accounts. She stated that the current General Fund - General Account does not have the 90-day reserve amount. Hopkinson presented a table depicting the General Fund - General Account - Fund Balance total amounts. On April 14, 2025, there was \$28M in the General Account. If the County would like to have a 90-day reserve in the General Fund - General Account, the County Board would need to transfer approximately \$9M from the Special Reserve Fund, immediately. If the County adheres to the budget, on November 30, 2025, the County will have a total of approximately \$51M. If the County decides to have a 30-day reserve limit of about \$34M, by the end of FY2026 the fund balance will be depleted. Hopkinson spoke on the approach to the budget and challenges of balancing the County budget. She stated that the General Fund - General Account is funded by "unrestricted" revenues. Sixty-eight percent of the FY2024 and FY2025 General Fund - General Account budgets are salaries and benefits. Thirty-three percent of the Special Revenue fund budgets are salaries and budget. Lastly, capital spending is mostly in the Special Revenue funds, although the General Fund historically transfers approximately \$4M per year to the Capital Projects #500 - Special Revenue fund. Hopkinson stated that the Special Revenue funds across the County are restricted for a variety of reasons including federal grant restrictions, state statute restrictions, and Kane County Board establishment. She alluded to the following issues that should be evaluated as part of the FY2026 Budget: to see if any of the Special Revenue Funds' revenue could be reallocated to the General Fund and if capital project funds could be funded with excess reserves in certain funds. Hopkinson shared the possibilities to consider when looking at expense reduction, such as reviewing the deliverables and outcomes of the specific County function and funding operating costs versus capital costs. She spoke on the structural challenges to budgeting. She stated that functional costs spread across multiple funds make it difficult to find all costs for a specific department. Additionally, one-time transfers on monies from one fund to another may not solve the underlying budgetary problem. Stable revenue sources should be provided. Hopkinson reviewed the County's next steps in the budget process:

forecast available revenue, expenses should not exceed available revenue, cost of living considerations for non-union employees, and the budget calendar. She shared the Kane County Budget All Funds - All Expenses- Budget to Actual. She reviewed the All Funds - Budget to Actual - Total Salaries and Benefits. She stated that the salaries, benefits, and contractual services amounts all come close to the budget. She presented the All Funds - Budget to Actual - Total Capital data. She explained that the County has typically budgeted much more than what is spent for Capital. Hopkinson addressed questions and comments from the Committee. Much discussion ensued.

The Committee agreed to hold a Special Finance Committee meeting on May 1, 2025 at 11:00 a.m. to discuss the Committee's ideas on how to move forward with the FY2026 Budget. Chairman Berman requested that all Committee members come up with ideas on how the County could cut \$25M from the FY2026 Budget that does not entail raising taxes. Additionally, the Committee should come up with an Attrition Program and look into grant funded positions and capital. Hopkinson noted that all personnel information would be uploaded in the financial software, departments and offices would key in their expenses within their means.

State's Attorney Mosser addressed the information shared indicating that her office has hired approximately 80 employees. She noted that these were not 80 new employees, but those that have replaced other positions. She asked for courtesy to be shown to elected officials when speaking on the budget. She asked that elected officials be spoken to before meetings to make sure accurate information is shared or for them to attend the meetings.

## **9. New Business**

### **A. Approving County Board Personal Expense Voucher Reimbursement Request**

Committee Member Juby questioned Madam Chairman Pierog's early arrival in Springfield for the Transforming Transit Summit Illinois State Association of Counties (ISACo) - Legislative Conference. The Conference began on March 19, 2025. However, Madam Chairman Pierog listed a hotel stay from March 17, 2025 through March 20, 2025. Juby asked what business Pierog had on March 18, 2025, that required her hotel stay. Madam Chairman Pierog stated that she arrived one day early to attend a special conference on potential legislation for townships. Juby requested a summary of this conference.

## KC Executive Committee

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

**B.** Approving County Board Personal Expense Voucher Reimbursement Request

## KC Executive Committee

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

**C.** Authorizing Updates to the County's Health Plan

Committee Member Lenert explained that he received an email regarding the additional expenses of mental health coverage for first responders in the County's health plan update. He stated that the Human Services Committee's recommendation was to add this coverage to all insurance policies for all employees, spouses, and dependants. Lenert believes this is a good option, but questioned if the County can afford the additional \$114K per year. He is concerned that the County cannot afford this added expense.

Committee Member Lewis explained that her understanding on this matter is that creating an additional health plan for first responders would be difficult. She stated that the County needs to take on this additional cost of potentially \$267K and ensure that the County can accommodate it. She recommended that further discussion needs to be had.

Committee Member Sanchez questioned if the last WHEREAS clause within this resolution should be removed due to the reference of all employees, and spouses or civil union partners. HRM Exec. Dir. Loblillo explained that this resolution has been written for everyone to receive this added benefit. If the County were to only approve this coverage for first responders, all County health

plans would need to be duplicated. This would have all first responders to be placed into a separate health plan than their families. Additionally, it would cause an increase in the insurance rate that first responders would be absorbing. Loblillo stated that there would be a lot of large implications in giving this coverage to first responders only. She explained that 99% of municipalities and Blue Cross Blue Shield (BCBS) are granting this to all participants in their health plans because the administrative costs associated with the changes and multiple health insurance plans. She stated that those who wrote this statute did not understand health plans and the addition of benefits for one selective group. The statute does not give the County an option to provide this coverage under different means, such as additional contracts. Due to the difficulties in managing a separate set of health plans, this coverage has been recommended for everyone. Loblillo stated that this coverage will help the County remain competitive with other municipalities. She explained that the health plan is not funded through the County's General Fund. It is funded by a self-insured fund. The impact increase for this coverage is an approximate 1.5% in the expected rate. Loblillo stated that if the Committee would like to move forward and have this mental health coverage for first responders, only, then an amendment would need to be made to this resolution. Much discussion ensued. (Committee Member Surges arrived remotely at 9:45 a.m.)

#### KC Executive Committee

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

- D. Authorizing an Agreement with Motorola for the Starcom Radio Management System

#### KC Executive Committee

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



- E. Authorizing Subaward Agreement with Northern Illinois Food Bank for Partnership and Utilization of Composting and Food Waste Reduction Funds

KC Executive Committee

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

- F. Authorizing Subaward Agreement with Advocate Sherman Hospital for Partnership and Utilization of Composting and Food Waste Reduction Funds

KC Executive Committee

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

- G. Authorizing Subaward Agreement with the Kane County Cougars for Partnership and Utilization of Composting and Food Waste Reduction Funds

KC Executive Committee

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

H. Authorizing Budget Adjustment for the Lead Poisoning Prevention and Response Grant

KC Executive Committee

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

I. Emergency Appropriation for Transfer of Funds from the Recovery Zone Bond Debt Service Fund #622 to the Pasadena Drive Special Billing Area SW48 #5311

KC Executive Committee

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

J. Amending Kane County Financial Policies Related to Travel

KC Executive Committee

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

K. Reserve Policy for General Fund - General Account

Committee Member Sanchez explained that this Ordinance is to reduce the County's General Fund reserve from six months to three months. He questioned if this was due to best practices. SAO Chief of Civil Frank stated that this ordinance would bound the County Board to follow this three-month reserve amount.

Committee Member Juby questioned that in case of an emergency, the County would not be able to utilize any of the money within the three-month reserve. Frank explained that if this Ordinance passes, the County Board is creating a personal law that restricts their own discretion. Frank addressed additional questions and comments from the Committee. Much discussion ensued.

Sanchez motioned to postpone this Ordinance until next month's Finance Committee meeting. Motion failed due to no second. Further discussion ensued.

After the vote, the Committee moved to agenda item 8B: 2026 Budget Discussion.

KC Executive Committee

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

**10. Old Business**

None.

**11. Reports Placed On File**

|                |                                      |
|----------------|--------------------------------------|
| <b>RESULT:</b> | <b>APPROVED BY UNANIMOUS CONSENT</b> |
| <b>MOVER:</b>  | Bill Lenert                          |

**12. Committee Chairman's Comments**

None.

**13. Executive Session (if needed)**

None.

**14. Adjournment**

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|------------------|-------------------------------|
| <b>RESULT:</b>   | <b>APPROVED BY VOICE VOTE</b> |
| <b>MOVER:</b>    | Bill Lenert                   |
| <b>SECONDER:</b> | Vern Tepe                     |

This meeting was adjourned at 11:26 AM.

Savannah Zgobica

Sr. Recording Secretary