

COMMITTEE REPORT

COMMITTEE: Finance, Tax & Budgets
CHAIRPERSON: John Schultz, Chairman
DATE/TIME: January 26, 2023 at 6:00 p.m.

PRESENT: ☒ John Schultz ☒ John Creighton ☒ Steve McIntyre
 ☒ John Lang ☒ Diane Gallagher ☒ Don Zillig
 ☒ LaDon Trost

Other Board members:

Others: Laura Edmonds, Melisa Hammer and Mary Althof

1. **Call to Order** – John Schultz called the meeting to order at 6:03 pm.
2. **Roll Call** – A quorum was established.
3. **Approval of Minutes**
 - a) Minutes of the November 17, 2022 Finance, Tax & Budgets Committee Meeting –
 - b) Minutes of the December 29, 2022 Finance, Tax & Budgets Committee Meeting – John Creighton and Steve McIntyre stated that they were in attendance at the December 29, 2022 Finance meeting but were not marked as present in the minutes. These corrections were noted and will be made. **Don Zillig made a motion to approve the November 17, 2022 Finance, Tax and Budget Committee Meeting minutes and the December 29, 2022 Finance, Tax and Budgets Committee Meeting minutes as corrected. Seconded by John Lang and motion passed following a voice vote resulting in all ayes.**
4. **Citizens Comments** - None.
5. **Unfinished Business**
 - a) FY2021/FY2022 Strategic Goals and Plans – John Schultz commented that he didn't think anything had changed on their strategic goals and plans. Steve McIntyre commented he would like to see Item 2 create and fund a yearly maintenance schedule for all county building (structural, cosmetic, cleaning, etc.) so that twenty years from now we are not in the same boat we are in now. It would be real nice if we could do what Steve Keeffer does which is set money aside every year so that when these things do happen we already have funds set aside to make it happen. John Creighton asked why Item 3 is to earmark cannabis tax for Public Safety and Mental Health and not the General Fund. Schultz explained that was our original thought but we are not doing that and it is going into the General Fund.
6. **New Business**
 - a) Discussion and possible action on a Resolution to execute a deed of conveyance of County's interest in parcel 18-013-098-00 in Thompson Township to Apple Canyon Lake Property Owners Association – John Schultz commented that this item and the next one is an opportunity to get properties that are in arrears on taxes back on the tax roll by selling it to these individuals. Don Zillig asked how they arrived at the selling bid. Melisa Hammer responded that \$822 is the lowest bid we will accept because of the fees and costs that we have to pay to our trustee. We have an agreement with our trustee Joseph Meyers who after so long does the trustee's sale. This is not a Sheriff's sale. They have an agreement that the lowest bid taken for the sale is \$822. These are lake lots so they are usually \$30 -

- \$50 a year so we usually do make money on them. And then we get them back on the tax roll so we start getting them paid again. **Steve McIntyre made a motion to move forward to the County Board a Resolution to execute a deed of conveyance of County's interest in parcel 18-013-098-00 in Thompson Township to Apple Canyon Lake Property Owners Association. Seconded by John Lang and motion passed following a voice vote resulting in all ayes.**
- b) Discussion and possible action on a Resolution to execute a deed of conveyance of County's interest in parcel 18-003-101-00 in Thompson Township to Apple Canyon Lake Property Owners Association – **Don Zillig made a motion to approve a Resolution to execute a deed of conveyance of County's interest in parcel 18-003-101-00 in Thompson Township to Apple Canyon Lake Property Owners Association. Seconded by Steve McIntyre and motion passed following a voice vote resulting in all ayes.**
- c) Discussion and possible action on Agreement for DEVNET, Inc. Services – Laura Edmonds commented that this is a portion of their DEVNET system that hosts our property record cards on line and it is a paid subscription that we charge \$20 a month or \$120 a year. With this fee that we charge it pays for itself. **Steve McIntyre made a motion to move to the County Board the Agreement for DEVNET, Inc. Services for the Wedge program for five years at a rate of \$4,095 per year. Seconded by John Creighton and motion passed following a voice vote resulting in all ayes.**
- d) Courthouse Update – John Schultz asked to add this item to the agenda. We did have our first meeting on Monday and we kicked around the possibilities. Unfortunately the only one that really presents itself is we are stuck with this shell doing something with it and we've got the money to do the first phase. We listened to a gentleman who is in the bond business saying he didn't think the interest rates were going to go up anymore after this year. Shultz does not agree. We have the bonding ability of \$23 million. To put up a new building it would cost roughly \$35 million and we would have to get approval from the voters to do that. We can do the first phase without having to raise additional money by using some of the money we have in various funds. Schultz doesn't like sticking money in an old building but he doesn't see that we have a choice. We still own the building. We would still have to maintain it if we built a new one unless we could find someone willing to buy it. We are going to recommend to the County Board that we proceed with the plan that we got from Shive-Hattery. LaDon Trost added that we had a representative from Baird, Stephan Roberts, and they will stay with us through the whole process of getting our finances and help us get through the whole process. We have a cap that we can borrow on bond and the cap is \$23 million. That really limits what we can do. The cost of a new building alone is \$25 million, we would have to acquire a site which doesn't include a parking lot or anything else. Schultz added it has to be close to the jail or we will have to make some way to transport the inmates to court. Unfortunately it just doesn't pencil. Trost has expressed his opinion on this many times and his opinion at the time of course was that we need to build a new building. But as time goes on we need to be practical and he doesn't see any other choice than to continue with this building right here. The rehabilitation of this building would be really nice and will be done in a very good system. Trost decided we would not have another Ad-Hoc meeting until after the County Board meeting in February so that we can bring this to the entire County Board for a determination. If we determine that we can't go forward then we do nothing because there are no more options. Steve McIntyre commented that we have been put into this position because of the \$4 million COVID money. Trost responded that is not totally true. We have a limit of \$23 million that we can loan. McIntyre responded that it is \$40 million to buy a new site so he gets it. There was considerable discussion on bonding, facilities studies and other solutions.

7. Staff Reports

- a) Chief County Assessment Office – Laura Edmonds reported that Dr. Hislop has withdrawn his proposal for a financial analysis of Prairie Ridge. Their office printed, stuffed and mailed out 3,231 Low Income Senior Freeze applications. They also printed, stuffed and mailed out annual renewal applications for Disabled Persons (110) and Disabled Vets (100 were sent under 100% disabled/43 parcels do not need to reapply, 100%). Staff printed, stuffed and mailed out annual renewal applications for open space property, and for fraternal organizations. On Thursday, January 5 they received our final multiplier back from the State of Illinois; it was a 1.00. Sent Public Notices to all local newspapers which listed information pertaining to all homestead exemptions per Illinois Statute. Received PTAB Case 21-00788.001.R.1 back; PTAB sided with the County. Worked on staff job descriptions. Starting to compile the annual assessor report. Edmonds will be attending a two day course from February 21-22 at the Illinois Department of Revenue, Springfield. This will count toward her continuing education requirements. Yesterday, Representative Chesney called their office and gave them kudos. They had a realtor call the office and was giving her staff grief saying that we are not doing the disabled vet exemption properly. They were saying if the value is over \$750,000 for their house and we are supposed to just take the difference and tax that and that is not correct. If the value is over \$750,000 you are not exempt from the taxes. You are paying the full amount. Chesney called and just wanted to let them know Jo Daviess County is doing it correctly. The real estate agent called him and chewed him so he checked around and contacted the Department of Revenue. He just wanted to say good job! Hurlbert vs. Jo Daviess Appeal – Petition for Leave to Appeal to the Illinois Supreme Court. New staff members John and Mike are fitting in nicely, and training is going well. Diane Gallagher asked if the Assessor's office had a copy of the Blackhawk Hills housing report. Edmonds did not. McIntyre is going to email her a copy.
- b) Treasurer's Office – Melisa Hammer reported her office has sent out over 650 letters and forms to all of the hotel/motel tax vendors to kick off our new online payment process. They have been working on updating all of their data in the system and have placed a link on the County website to start paying on line. This has kept them busy with phone calls and emails. As usual there are a few bugs they are working out but all-in-all things are going smoothly. They have been busy with the end of the year reporting and preparing for audit. Making sure that we have expenses recorded in the correct fiscal year and getting ready to send the trial balance to the auditors for their field audit in February. Hammer is working with the departments to make sure that our fixed assets are updated and ready to turn over to the auditors. Each department is reviewing reports that she has supplied and updating any new or disposed of assets. The Treasurer's office is working with ETSB to help streamline the process that is used to pay and record the bills for ETSB. We are working to eliminate some of the data entry steps so that it is more efficient and less likely to have errors. Schultz asked Hammer if she had invested some of our money in cd's. Hammer responded that she invested \$2 million in a 13 month cd at 4.25%. Hammer also reached out to another bank that we have money in and they matched it so she put some of the money we have in their bank into a cd too.

- c) Grants Administrator – Tammy Cahill was unable to attend the meeting, but Melisa Hammer reviewed her report which was included in the packet. Cahill did submit through the GATA portal the certification that we will have to do a single audit as well as our regular audit because we have over \$750,000 in grants. Cahill was informed by Nicole Hermesen that Transit was awarded a \$1.2 million grant that they applied for for infrastructure.
- d) County Administrator – Scott Toot was unable to attend this meeting. His report was included in the packet.

10. Citizens' comments – None.

- 11. Board Member Concerns** – Don Zillig thanked Melisa Hammer and Laura Edmonds for all of the information they filled in for Scott in his absence. John Schultz added and for being knowledgeable. Steve McIntyre is still digesting all of this financial information that Scott Toot put in front of us tonight. He believes that the Cannabis Tax will start to decrease as stated in the packet on page 90. John Creighton reported that Public Works is having difficulty purchasing equipment. A dump truck is simply unavailable. They discussed solar energy and will be doing more investigation on that. They also had a brief discussion on UTV's. Diane Gallagher reminded people that the Census records in any kind of report from the U.S. Census at the time that those records were compiled they do not count the residents that are part-time residents here.

The next Finance, Tax & Budgets Committee meeting will be on Thursday, February 23, 2023 at 6:00 p.m.

Steve McIntyre made a motion to adjourn at 7:20 pm. Seconded by Don Zillig and motion carried.