COMMITTEE REPORT

COMMITTEE: **Finance, Tax & Budgets**
CHAIRPERSON: **John Schultz, Chairman**
DATE/TIME: **April 28, 2022 at 6:30 p.m.**

PRESENT: ☒ John Schultz ☒ Staci Duerr ☒ Don Hill
☒ Diane Gallagher ☒ John Lang ☒ Don Zillig
☒ Steve McIntyre

Other Board members:

Others: Laura Edmonds, Tammy Cahill, Scott Toot, Mary Althof and Matt Schueler

1. **Call to Order –** John Schultz called the meeting to order at 6:30 pm.
2. **Roll Call –** A quorum was established.
3. **Approval of Minutes** –
   a) Minutes from the March 31, 2022 Finance, Tax & Budgets Committee Meeting – **Don Zillig made a motion to approve the minutes from the March 31, 2022 Finance, Tax & Budgets Committee meeting. 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 – The committee did not review the FY2021/FY2022 strategic goals and plans at this time.
6. **New Business**
   a) Presentation of FY2021 Jo Daviess County Financial Audit – Matt Schueler, Wipfli – Matt Schueler commented that there have been a few minor tweaks on the federal portion of the audit. What he is going to present is going to vary slightly on that federal piece of the audit. What Schueler is presenting today are drafts. They do not intend any of their opinions to change. They are still working to finalize the audit and should be on track to get everything to the county. We met last week with a few members of management and went over the details. Schueler reviewed the report on federal awards. The last two years the county has had to have a uniform guidance audit. It's a lot of the COVID dollars that are flowing through the county. We did not have any internal control deficiencies or any compliance findings. The county runs a very tight ship. We are expecting to issue a clean unmodified opinion on the report on the testing of the federal awards. The county is doing a good job in managing those ARPA funds. The Circuit Clerk audit is required by state statute. The main objective of this audit is to make sure that the fees and fines that are being collected and distributed are done timely. We feel that the Circuit Clerk is meeting those objectives and receives a passing grade. Schueler reviewed the independent auditors report on the county's financial statements. It is a clean unmodified opinion. They do not anticipate any changes to the opinion and it is a passing grade. There was a new accounting standard that was adopted in the current year relating to the county's agency funds, those were funds that were restated. Many of them were restated from agency fund reporting to special revenue funds. Schueler went over the impact of these changes.

Management discussion and analysis has a lot of good information. Scott Toot is working to finish this section of the audit from reports that Wipfli has provided him with. The two things that would be really good to spend a little time with the Finance committee is the narrative but there are two schedules here that are comparative. Another key thing is the statement of changes in net position. One of the reasons for the increase this year is the increase in revenues that you have received. It also increased your expenditures as well. Schueler reviewed the statement of net position for the county. This collapses the entire county into one single column. It presents information that is more of a long term focus. We refer to this as a full accrual basis of accounting so what that means is it starts to present long-term capital assets. It also reports your net pension assets for IMRF. And it also reports the net OPEB liability. There are no long-term assets and no long-term liabilities. The only exceptions are the property tax that will be collected by the county. There is $26.1 million in fund balances on hand at the end of the year. $15.7 million are in restricted dollars. $7.2 million are unassigned dollars. That is the county's general fund's fund balance. That had a nice increase of $2.3 million from last year. Next Schueler reviewed the income statement. Overall the funds increased $3.6 million. All deposits were secured and collateralized at the end of the year. Our regular pension fund is funded at 102% which is great. The Sheriff's plan is funded at 98%.

b) Discussion and possible action to accept the FY2021 Jo Daviess County Audit – **Steve McIntyre made a motion to accept the FY2021 Jo Daviess County Audit as presented. Motion was seconded by Staci Duerr and motion passed following a voice vote resulting in all ayes.**

c) Discussion and possible action regarding Grant Match Funding for the Jo Carroll Fiber Grant – John Schultz reported that we met with Jo-Carroll a couple of weeks ago and they did a presentation. They will gladly accept some money and letters of support. Scott Toot added that they have applied for a grant for fiber and would like a commitment from the county for possible funding for their grant. It is a collaborative effort with Carroll County. We do have the Economic Development Investment Fund 018 that funding would be available from for such a project. **John Lang made a motion to pledge $50,000 from Fund 018 for a grant match funding commitment for the Jo Carroll Fiber Grant. Motion was seconded by Diane Gallagher and motion passed following a voice vote resulting in all ayes.**

7. Staff Reports

a) **Chief County Assessment Office –** Laura Edmonds, Chief County Assessor, did not provide a written report for the informational packet. The tax bills have gone out from the Treasurer's office. We have been busy training. She got word from a township assessor that he will be turning in the rest of his quad work by the end of next week. We have three quad townships done and the due date is in six weeks, June 15th so we will be working on 2022 assessment. We have also been working on exemptions for seniors and helping them file the paperwork and training staff. Edmonds is tossing around the idea of possibly doing a part-time staff member for two days a week. With the staff she has right now, once they are fully trained which takes a minimum of two years they will, she has some good staff members. They are sharp. It is hard when someone is on vacation and someone calls off sick. That makes it very short staffed. She has been talking with Melisa Hammer about the possibility of doing a share program of two days in the Assessor's office and two days in the Treasurer's office. They are going to wait to see what happens with the compensation study.

b) **Treasurer's Office** – Melisa Hammer, County Treasurer, was unable to attend this meeting. A written report was provided in the informational packet.

c) **Grants Administrator –** Tammy Cahill, Grants Administrator, reviewed her report that was included in the informational packet. In addition, yesterday she was able to submit the project and expenditure report for the ARPA money. The next one won't be due for a year. It is an annual report.

d) **County Administrator** – Scott Toot, County Administrator, reviewed his report that was included in the informational packet.

8. Citizens' comments – None.

9. Board Member Concerns – Staci Duerr complimented staff for a clean audit. Referencing Laura's staffing report, Duerr advised that the work force has changed since the pandemic. She stated that part time staff positions may be easier to fill than a full time position.

The next Finance, Tax & Budgets Committee meeting will be on Thursday, May 26, 2022 at 6:30 p.m.

Don Zillig made a motion to adjourn at 7:33 pm. Seconded by Steve McIntyre and motion carried.