

COMMITTEE REPORT

COMMITTEE: Finance, Tax & Budgets
CHAIRPERSON: John Schultz, Chairman
DATE/TIME: June 29, 2023 at 6:00 p.m.

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

Other Board members: Michael Holt.

Others: Tammy Cahill, Laura Edmonds, Melisa Hammer and Scott Toot

1. **Call to Order** – John Schultz called the meeting to order at 6:00 pm.
2. **Roll Call** – A quorum was established.
3. **Approval of Minutes**
 - a) Minutes of the May 25, 2023 Finance, Tax & Budgets Committee Meeting – **Diane Gallagher made a motion to approve the May 25, 2023 Finance, Tax & Budgets Committee Meeting minutes as presented. 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 we have the Board Retreat next week where we will update these. Diane Gallagher asked if they would like any particular goals that would help economic development. Specifically CPACE or active use of revolving loan or other opportunities to help businesses. Schultz responded that Gallagher will have an opportunity to voice these ideas at the retreat.
6. **New Business**
 - a) Discussion and possible action regarding items associated with the FY2024 Jo Daviess County Budget
 - i. Review FY2024 Round 1 revenue estimates – Scott Toot commented that his Executive Summary memo starts on page 9 of the packet and the General Fund FY2023 Budget Summary starts on page 16 of the packet. Toot reviewed the summary for the committee.
 - ii. Establish initial allocation of 2023 property tax levy (payable 2024) – Scott Toot recommended to the committee to use Option #1 for the initial distribution of 2023 Jo Daviess County property tax levy (payable 2024) and postpone the allocation of any additional increases/decreases, per PTELL, until the beginning of the budget workshops in late September and early October. Melissa Hammer commented that you're not putting an increase of the \$409,000 anywhere. Toot responded no, not as this time. This can be changed going forward. Hammer has never seen where we have not allocated some of the money. John Lang added that we are starting out conservatively. **John Lang made a motion to approve the use of Option #1 for initial distribution of 2023 Jo Daviess County property tax levy (payable 2024) and postpone the allocation of any additional increases/decreases, per**

PTELL, until the beginning of the budget workshops in late September and early October. Seconded by Don Zillig and motion passed following a voice vote resulting in all ayes.

- iii. Establish initial allocation of FY2024 County (1%) sales tax – Scott Toot recommended to the committee to allocate FY2024 County (1%) sales tax receipts at 75% General Fund and 25% County Highway Fund. John Creighton reminded the committee that thirty years ago 100% of the allocation was given to the County Highway Fund. **John Lang made a motion to approve the allocation of FY2024 County (1%) sales tax receipts at 75% General Fund and 25% County Highway Fund. Seconded by Diane Gallagher and motion passed following a voice vote resulting in 5 ayes and 2 nays. Ayes - 5: Gallagher, Lang, Schultz, Trost and Zillig. Nays - 2: Creighton and McIntyre.**
- iv. Establish FY2024 Expense Budget Guidelines – Scott Toot reviewed the FY2024 Expense Budget Guidelines. **John Creighton made a motion to approve FY2024 expense budget guidelines as presented for the Jo Daviess County General Fund (001), County Highway Fund (002) and County Special Fund expense budgets and set the initial FY2024 agency funding amounts at the same funding level as appropriated in the FY2023 Jo Daviess County budget. Seconded by Don Zillig and motion passed following a voice vote resulting in all ayes.**
- b) Discussion and possible action to Transfer \$7,375.69 in Cannabis Use Tax Funds from General Fund 001-34613 to Sheriff's Forfeiture Fund 009-34613 – Melisa Hammer commented that the Cannabis Use Tax Funds have been being put in the wrong place. Those funds were supposed to be put into a special fund instead of the general fund. We have been putting them into the general fund and we've been told that is not proper. It needs to go into a special fund for use by the Sheriff. **Steve McIntyre made a motion to approve a Transfer of \$7,375.69 in Cannabis Use Tax Funds from General Fund 001-34613 to Sheriff's Forfeiture Fund 009-34613. Seconded by Don Zillig and motion passed following a voice vote resulting in all ayes.**

7. Staff Reports

- a) Chief County Assessment Office – Laura Edmonds reported that her office is active with the public fielding phone calls and explaining the tax bills, exemptions, and farmland values. They continue to work on Township Assessor work – all townships are in (June 15th). All townships are pretty much complete, except two quad townships. Eric Dost of Dost Valuation has backed out of the Prairie Ridge project; he highly recommended James Tellatin, whom Edmonds has been in contact with. The Board of Review opened their 2024 assessment year on June 7 at 9am. Reviewed, approved or denied exemptions. Approved certificate of errors, and also approved this year's Board of Review Rules. The Farmland Committee met on June 7th and approved the 2025 farmland values. The farmland calc program has been corrected. We believe we are going to have to process each parcel which has farmland a new calculation. (approx. 8,000 parcels). We are down one employee, and will be posting for the opening soon.
- b) Treasurer's Office – Melisa Hammer reported the first installment of real estate taxes was due on June 1st and we did the first distribution of a little over \$13 million on June 26th. As of June 22nd, we have collected \$39,635,549.73 of the \$65,955,362.63 that is due for 2022 real estate taxes due in 2023. We are busy sending delinquent notices and any penalty notices for first installments of both real estate and mobile home taxes. Hammer has been working with County Administrator, Scott Toot and the courthouse committee on the sale of bonds for the courthouse renovation process. The bonds were sold and the

closing date for the sale was the 28th of June. Hammer opened an account at First Community Bank of Galena to deposit the \$8.7 million. She was able to negotiate an interest rate of 4% for this account and we are paying 4.1813% interest rate for the bonds. We cannot collect more than 4% interest on these funds and were able to get the highest amount possible. Hammer is working with States Attorney Allendorf on a hotel/motel tax delinquency that has not paid in for over a year and is in violation of the county ordinance. They do not have a guest accommodation license because they are within a municipality so we cannot pull their license.

- c) Grants Administrator – Tammy Cahill reported the 708 Mental Health Board had their quarterly meeting June 14th. The Board approved first quarter Provider claim amounts. Also, at the meeting, Board Chair Colleen Farrell reviewed the process for submitting Provider Applications for FY24. The FY24 Grant Applications are due April 30th and the 708 Board FY24 Budget Meeting will be held July 12th this year. Cahill submitted the FY22 CYEFR on the GATA portal on June 22nd after receiving the “In Relation to Opinion” from our Auditors. Cahill has still not received any new information concerning the Sheriff’s Office Radio Project that was chosen by LaHood’s Office for FY24 Community Project Funding. The Sheriff’s Office applied for the Rural Violent Crime Reduction Initiative (RVCRI) Grant but were not chosen partly due to a very competitive grant process this year. Sheriff Turner was hoping this grant would have helped fund a Body Scanner for the new Courthouse Secure Entrance project. Cahill has since reached out to a few other contacts that she has to see if there are any other grants available for this. Cahill reached out to Steve Keeffer at the Highway Department to discuss the Badger Road project that County Board Member Don Zillig reached out to both of them about. Keeffer and Cahill are both watching for Grant Opportunities to help with this project. Cahill passed on a new link to Keeffer that she watched a webinar on this past month for USDOT Funding Opportunities called the USDOT Navigator. This free link can be found at www.transportation.gov/grants/dashboard. Last week we received an email concerning FEMA COVID-19 Closeout. Cahill listened to a webinar given by FEMA last week explaining the lengthy process for Closeout. They recommend starting early because of the time involved. Cahill has reached out to FEMA as well as EMA Coordinator, Mike Simmons, and Sandra Schleicher, Public Health Administrator concerning this. Cahill will be working on this more in the coming month.
- d) County Administrator – Scott Toot reported that we have received the bond distribution in the amount of \$8,766,066.55. It was slightly more than we expected because it was oversubscribed, so we got a lower interest rate and more money. We got a AA credit rating which is very good for a county of our size and the resources that we have. That was a team effort between Melisa Hammer, LaDon Trost and Toot.

10. Citizens’ comments – Laura Edmonds spoke on the Prairie Ridge PTAB case. She is going to have to ask for an extension from PTAB on the case because it is due to be back on July 19th. With the holiday, Mr. Tellatin just cannot get it done. Edmonds has given him all of the material that he needs except for the building design and the site design. She has been in touch with Jonathon Miller with the City of Galena, so she is working on getting these large files to Mr. Tellatin.

11. Board Member Concerns – Steve McIntyre commented that he was at the Development & Planning office last week when Chesney came in to town to talk to us about some economic development things. According to Mike at Sand Prairie they may be able to help us with our closing loop on internet. Diane Gallagher wanted to know if CPACE will be considered on our

agenda anytime in the near future. She did have a new business that is going to be coming to the County Board. Scott Toot added that it can be added to the agenda for next month.

The next Finance, Tax & Budgets Committee meeting will be on Thursday, July 27, 2023 at 6:00 p.m.

Don Zillig made a motion to adjourn at 6:56 pm. Seconded by John Creighton and motion carried.