COMMITTEE REPORT

COMMITTEE: **Finance, Tax & Budgets**
CHAIRPERSON: **John Schultz, Chairman**
DATE/TIME: **October 31, 2024 at 6:00 p.m.**

PRESENT:

☒ John Schultz	☒ John Creighton	☒ Michael Holt zoom
☒ John Lang	☒ Diane Gallagher	☒ Don Zillig
☒ LaDon Trost		

Other Board members: Joseph Heitkamp

Others: Angela Kaiser, Laura Edmonds and Melisa Hammer. Matt Schueler of Wipfli, LLP attended via Zoom.

1. **Call to Order –** Chairperson John Schultz called the meeting to order at 6:00 pm.
2. **Roll Call –** A quorum was established.
3. **Approval of Minutes**
   a) Review and approve minutes of the September 5, 2024 Joint Budget Review meeting and minutes of the September 26, 2024 Finance, Tax & Budgets Committee meeting – **Lang made a motion to approve the minutes of the September 5, 2024 Joint Budget Review meeting and the minutes of the September 26, 2024 Finance, Tax & Budgets Committee meeting. Seconded by Gallagher and motion carried by voice vote.**
4. **Citizens Comments –** None.
5. **Unfinished Business**
   a) FY2023/FY2024 Strategic Goals and Plans – The goals and plans were not reviewed.
6. **New Business**
   a) Discussion and possible action to recommend approval of a Resolution to execute a deed of conveyance of County's interest in parcel 08-22-156-00 in Guilford Township to Big Nexus, LLC*)* – **Creighton made a motion to recommend approval of a Resolution to execute a deed of conveyance of County's interest in parcel 08-22-156-00 in Guilford Township to Big Nexus, LLC. Seconded by Lang and motion carried by roll call vote.**

   b) Discussion and possible action to recommend approval of a Resolution to execute a deed of conveyance of County's interest in parcel 09-001-123-00 and 09-001-124-00 in Hanover Township to Barb Invergo and Kenneth Invergo Jr. – **Trost made a motion to recommend approval of a Resolution to execute a deed of conveyance of County's interest in parcel 09-001-123-00 and 09-001-124-00 in Hanover Township to Barb Invergo and Kenneth Invergo Jr. Seconded by Zillig and motion carried by roll call vote.**

   c) Discussion and possible action to recommend approval of a Resolution to execute a deed of conveyance of County's interest in parcel 13-000-047-01 in Rawlins Township to Adam Ruble – **Trost made a motion to recommend approval of a Resolution to execute a deed**

of conveyance of County's interest in parcel 13-000-047-01 in Rawlins Township to Adam Ruble. Seconded by Lang and motion carried by roll call vote.

d) Discussion and possible action to recommend approval of a Resolution to execute a deed of conveyance of County's interest in parcel 13-000-047-02 in Rawlins Township to Adam Ruble – **Trost made a motion to recommend approval of a Resolution to execute a deed of conveyance of County's interest in parcel 13-000-047-02 in Rawlins Township to Adam Ruble. Seconded by Schultz and motion carried by roll call vote.**

e) Discussion and possible action to recommend approval of a Resolution to execute a deed of conveyance of County's interest in parcel 18-010-070-00 in Thompson Township to Richard Rodriguez and Cynthia Rodriguez – **Trost made a motion to recommend approval of a Resolution to execute a deed of conveyance of County's interest in parcel 18-010-070-00 in Thompson Township to Richard Rodriguez and Cynthia Rodriguez. Seconded by Gallagher and motion carried by roll call vote.**

f) Discussion and possible action to recommend approval of a Resolution to execute a deed of conveyance of County's interest in parcel 21-001-741-10 in Warren Township to Gokce Capital, LLC – **Trost made a motion to recommend approval of a Resolution to execute a deed of conveyance of County's interest in parcel 21-001-741-10 in Warren Township to Gokce Capital, LLC. Seconded by Lang and motion carried by roll call vote.**

g) Discussion and possible action to recommend approval of a Resolution to execute a deed of conveyance of County's interest in parcel 22-100-639-00 in West Galena Township to Adam Ruble – **Lang made a motion to recommend approval of a Resolution to execute a deed of conveyance of County's interest in parcel 22-100-639-00 in West Galena Township to Adam Ruble. Seconded by Zillig and motion carried by roll call vote.**

h) Discussion and possible action to recommend approval of an Audit Engagement Letter with Wipfli, LLP, for Professional Services associated with the Jo Daviess County audit for the year ended November 30, 2024, at a cost not to exceed $39,850 for the County audit, $4,800 for the single audit, $4,800 for each additional major program, reimbursement of actual direct travel expenses (if any), plus a technology and administration fee equal to six percent (6%) of Wipfli, LLP's professional fees – Matt Schueler from Wipfli, LLP, was in attendance on Zoom. Lang stated how he wasn't happy with the 6% fee. He was unsure if this was something that the County had paid for in the past. Melisa Hammer asked Schueler if the 6% was supposed to be omitted, per their conversation in the pre-audit meeting. Schueler explained that the 6% has always been included, it is just being allocated separately and the fee is still the same – it's just the way the language in the engagement letter was written. He explained that it had to be split out differently on their invoices. Kaiser had some questions due to this being the first of two optional years. She said the proposal quoted the county audit was to be $43,500, but the engagement letter says $39,850 and she asked if that was the reason. Schueler replied with what he had explained earlier regarding the 6% fee. It comes out to be the same, it's just split out differently. **Lang made a motion to recommend the County exercise an optional year for FY2024, and to recommend approval of an Audit Engagement Letter with Wipfli, LLP, for Professional Services associated with the Jo Daviess County audit for the year ended November 30, 2024, at a cost not to exceed $39,850 for the County audit, $4,800 for the single audit, $4,800 for each additional major program, reimbursement of actual direct travel expenses (if any), plus a technology and administration fee equal to six percent**

(6%) of Wipfli, LLP's professional fees. Seconded by Gallagher and motion carried by voice vote.

i) Discussion and possible action to recommend approval of an Audit Engagement Letter with Wipfli, LLP, for the Transit Section 5311 Annual Financial Report and Schedule of Operating Revenues and Income and Operating Expenses under Downstate Operating Assistance Grant as presented, in conformity with Illinois Department of Transportation Division of Public and Intermodal Transportation, for the year ended June 30, 2024, at a cost not to exceed $6,500, reimbursement of actual direct travel expenses (if any), plus a technology and administration fee equal to six percent (6%) of Wipfli, LLP's professional fees – **Lang made a motion to recommend the exercising of an optional year for FY2024, and to recommend approval of an Audit Engagement Letter with Wipfli, LLP, for the Transit Section 5311 Annual Financial Report and Schedule of Operating Revenues and Income and Operating Expenses under Downstate Operating Assistance Grant as presented, in conformity with Illinois Department of Transportation Division of Public and Intermodal Transportation, for the year ended June 30, 2024, at a cost not to exceed $6,500, reimbursement of actual direct travel expenses (if any), plus a technology and administration fee equal to six percent (6%) of Wipfli, LLP's professional fees. Seconded by Zillig.** Kaiser started a discussion regarding the proposed fee, acknowledging while there may have been verbal conversations and understandings in the past with the prior County Administrator, there are no amended documents that she could find. Schueler explained the email conversation with the previous Administrator and how the DOAP Grant needed to be adjusted. There was a quote emailed but there was no written confirmation given. Schueler forwarded the email thread to Kaiser. It is now up to the County on how we want to proceed. Since this was an error on Wipfli's part, Schueler agreed to do the work for $5,250.00 as was stated in the email conversation with the previous Administrator. Schueler apologized for the mistake, saying he should have reached out to the County Board when he didn't receive a reply on the emailed quote. He said that he will revise an engagement letter and email that to Kaiser. There was a question on the direct travel expenses stated in the agreement. Schueler explained he thought that was just the standard language in the engagement letters that any mileage would be reimbursed and that they limit their on-site visits. Kaiser said that the only time that mileage was billed was for the FY2023 audit. She believes that the other years it was potentially rolled into the agreement with field work. **Lang made a motion to amend the original motion to read $5,250.00 for the three programs. Zillig seconded and the amendment carried by voice vote. The amended motion carried by voice vote.**

Schultz exercised his Chairperson prerogative and skipped to item K. on the agenda before addressing item J.

j) Discussion and possible action on establishing meeting dates and start times for the FY2025 Finance, Tax & Budgets Committee meetings – The Finance Committee's meeting dates and start times for FY2025 was included in the packet. There was some discussion about the December date and it was decided that it would be held on Thursday, December 19, 2024, at 4:00 p.m. **Schultz made a motion to approve the Finance, Tax & Budgets Committee FY2025 meeting dates and start times, with the December meeting being held on Thursday, December 19th at 4:00 p.m. Seconded by Zillig and motion passed.**

k) Discussion and possible action to recommend approval of an Audit Engagement Letter with Wipfli, LLP, for Professional Services associated with the Jo Daviess County Circuit Clerk audit for the year ended November 30, 2024, at a cost not to exceed $8,000 if the Circuit Clerk excludes the Schedule of Accountabilities, *or*, at a cost not to exceed $10,500 if the Circuit Clerk includes the Schedule of Accountabilities, reimbursement of actual direct travel expenses (if any), plus a technology and administration fee equal to six percent (6%) of Wipfli, LLP's professional fees – **Lang made a motion to recommend the exercising of an optional year for FY2024, and to recommend approval of an Audit Engagement Letter with Wipfli, LLP, for Professional Services associated with the Jo Daviess County Circuit Clerk audit for the year ended November 30, 2024, at a cost not to exceed $8,000 if the Circuit Clerk excludes the Schedule of Accountabilities, *or*, at a cost not to exceed $10,500 if the Circuit Clerk includes the Schedule of Accountabilities, reimbursement of actual direct travel expenses (if any), plus a technology and administration fee equal to six percent (6%) of Wipfli, LLP's professional fees. Seconded by Schultz.** Kaiser addressed Schueler, saying after their discussion and trying to find any changes to the original agreement, it looked as though there were multiple instances in 2021, 2022 and 2023, where charges were above and beyond the original agreement. There were 3 GASB implementations that were additionally charged that did not come forward to the County Board. She was questioning if those additional charges were authorized by the County. Schueler said that those were in the engagement letters when there were changes in the accounting standards. It's difficult to understand the full implication of new standards at the time of bidding. Kaiser agreed and said the concern isn't with Wipfli, but that it should have been explained more thoroughly when it was approved by the County Board. She also said that transparency is very important and this is an instance where there was some miscommunication. Going forward, she wants board members to understand exactly what they are voting on. **The motion carried by voice vote.**

7. Staff Reports

a) Chief County Assessment Office – Laura Edmonds, Chief County Assessment Officer, gave her monthly report. She had a written report included in the meeting packet. The Board of Review complaint cycle deadline was on Friday, October 18th. They received 101 complaints; out of those, 81 have been completed. Her office has been busy.

b) Treasurer's Office – Melisa Hammer, Treasurer, read her report to the committee. She also had the report included in the meeting packet. The tax sale was held on October 21st and 253 parcels were sold in the amount of $416,279.41. There were originally 1528 parcels not paid by the due dates – Hammer said that even though she isn't required by statute to send out reminders, it makes a significant difference in the amount of parcels that are sold at the tax sale.

c) Grants Administrator – Tammy Cahill, Grants Administrator, was not in attendance. Her report was included in the packet.

Schultz asked about the Starcom funding and Hammer informed everyone that the funding has been received. Kaiser spoke about the console purchase from Motorola that ETSB is planning on making. If these consoles are purchased at the same time as the Starcom Radio Equipment, there is a substantial discount of $225,000. She explained that it is too late to post a change to the FY2025 budget, but ETSB wants to be able to order the equipment to capitalize on the quote. On November 19th there will be the Budget Hearing and after everything is approved, there will be a recommendation for the County Board to amend the FY2025 ETSB budget to allow for the purchase. This will allow the equipment to be ordered the next day and potentially have the project closed by the time Sheriff Turner leaves office. That led into a conversation about the County having a five year plan. This is a typical requirement when applying for grants.

d) County Administrator – Kaiser explained Hammer's comments regarding a five year plan are correct; every possible future project is basically a five year plan or some sort of projection on what the county would like to accomplish. She said there is always talk of it in meetings and at the board retreats, but it doesn't seem to go anywhere. It might be good to put together an Ad-Hoc Committee to get some things going, but that it could start with the Finance Committee. Trost asked if it could be done at the Department Head meetings. She agreed that would be a good idea to have the department heads compile their ideas and submit those to Finance and the departments' parent committees.

8. **Citizens' Comments –** None.

9. **Board Member Concerns –** Gallagher spoke about the UCCI Conference in Springfield. Creighton said he was in Stockton and was pulled into a Stockton Economic Development meeting while there. They are looking to establish an industrial park in the future. He was asked that the County be supportive of this endeavor. It's in the early discussion stages at the moment. Trost wanted to mention the Wipfli conversation and how he was very concerned when he was made aware of what was happening. He thanked Kaiser and Hammer for bringing the issue forward to the committee and informing everyone on what was happening. Lang said that having worked for a CPA firm for a while in the past, it's better to keep current clients than to have to acquire more and start from scratch.

The next Finance, Tax & Budgets Committee meeting will be on *Thursday, December 19, 2024 at 4:00 p.m.*

Zillig made a motion to adjourn at 7:13 pm. Seconded by Gallagher and motion carried.