

COMMITTEE REPORT

COMMITTEE: Finance Committee
CHAIRPERSON: Yerda Potter, Chairperson
DATE/TIME: September 9, 2002 9:00 am

PRESENT: ___ Berlage ___ Lyons _x_ Schubert
 ___ Bielenda _x_ Montelius ___ Sisler
 ___ Breckenridge _x_ Potter ___ Stoffregen
 ___ Carroll _x_ Powers ___ Toepfer
 ___ Creighton ___ Rosenthal ___ Zillig
 x Hasken _x_ Rutherford

Others: Duane Olivier, County Administrator
 Nancy Miller, Chief County Assessment Officer
 Carol Soat, County Treasurer
 Janet Anderson, Economic Development/Planning Director

1. **Claims review.** The Committee reviewed the claims to be considered for approval by the County Board at its meeting on September 10, 2002.
2. **Approval of Minutes.** The Committee reviewed Minutes for its meeting on August 12, 2002. On a motion by Domer Schubert, 2nd by Margie Montelius, the Minutes were approved.
3. **FY2001 Annual Financial Report.** Mr. John Van Osdol and Mr. Leon Heires with Lindgren, Callihan, VanOsdol & Co, Ltd. presented and summarized the FY2001 Annual Financial Report. The Report, along with the auditor's Management Letter will be distributed to the County Board on September 10, 2002 and placed on the Board's Agenda for acceptance at its October meeting. The Committee will review and discuss the Report in more detail at its October meeting.
4. **Treasurer's financial reports.** The Committee reviewed several monthly financial reports prepared by the County Treasurer.
5. **Board of Review Resolution.** The Committee reviewed a resolution extending the time allowed for the Board of Review to complete its work (attached). A number of township assessors are still completing assessment work on 2002 property values and the Illinois Department of Revenue has not provided information necessary for the township assessors and the Board of Review to complete their work. On a motion by Vince Hasken, 2nd by John Rutherford, the Committee approved a recommendation that the resolution be approved.

6. Chief County Assessment Officer (CCAO) budgets:

- a. **Board of Review.** Nancy Miller presented a proposed budget for the Board of Review. The proposed budget is the same as the current year. Most of the budget is composed of the wages of the Board of Review members and mileage. On a motion by John Rutherford, 2nd by Dutch Powers, the proposed budget for the Board of Review was approved.
- b. **Chief County Assessment Officer.** Nancy Miller presented a proposed budget for the Office of the Chief County Assessment Officer. Overall, the proposed budget is 90% of the current year's budget when salaries are excluded. On a motion by John Rutherford, 2nd by Margie Montelius, the proposed budget for the Chief County Assessment Officer was approved.

7. FY2003 budget:

- a. **Preliminary 2002 Tax Levy.** Duane Olivier reviewed alternative approaches to the 2002 Tax Levy, each included an estimated of assessed value and on overall tax levy amount estimated by the County Clerk. The Committee will consider the Tax Levy when the budget process is completed to finalize the Levy for presentation to the County Board and inclusion in the FY2003 Annual Budget.
- b. **Sales Tax Resolution.** The Committee reviewed a resolution adopted by the County Board as a part of the FY2002 Annual Budget that: 1) distributed the County's regular (1%) sales tax receipts 50% to the Highway Fund and 50% to the General Fund; and 2) provided that in subsequent fiscal years the distribution of regular sales tax would return to its former distribution formula of 80% to the Highway Fund and 20% to the General Fund. The Public Works Committee discusses the resolution and included in its approved Highway Department budget 80% of the regular sales tax receipts. Although the Finance Committee recognizes the County's requirements for funding needed capital projects in the Highway Department, in view of the reduced revenues forecasted for the County's General Fund budget for FY2003, the Finance Committee feels that it is not possible in FY2003 to return to the 80%/20% distribution formula and that this matter should be considered on a year-to-year basis. On a motion by Vince Hasken, 2nd by Domer Schubert, the Committee recommended that a resolution be adopted that continued the 50%/50% regular sales tax distribution formula for FY2003 and that the resolution be reviewed at the Committee's June 2003 meeting to consider if the distribution formula should be changed for FY2004. Merri Berlage voted nay on the motion.

8. **Small Rental Property Program (SRPP) Payment Policy.** The County is the grantee for a \$157,500 grant from the Illinois Housing Development Authority for the rehabilitation of small rental properties and has a management agreement with the Northwestern Illinois Community Action Agency (NICAA) to administer the grant. The grant will involve several small rehabilitation projects throughout the County with each project and require the County, upon request by NICAA to process several payments per project to the rehabilitation project owner, contractor, and NICAA. To facilitate the processing and payment of these requests, the Staff requests that the County Board: 1) authorize the County Administrator to review the payment requests for individual rehabilitation projects to determine compliance with the terms of the grant agreement (NICAA will perform most of this review and certify as to compliance) and the authorize payment by the County Treasurer; and 2) authorize the County Treasurer to make such

foregoing payments as authorized by the County Administrator out of the account(s) established for the small rental property rehabilitation program. All payments made on projects will be included on a claims list for subsequent oversight review by the Finance Committee and approval by the County Board. Concern was expressed that the Staff not spend too much time in the review process and that Staff should investigate receiving some amount of compensation for Staff oversight review. On a motion by John Rutherford, 2nd by Domer Schubert, on a 3 to 2 vote the Committee approved recommending the Staff's requested payment policy. Vince Hasken and Dutch Powers voted nay on the motion.

9. **Budget Transfers.** The County Administrator reviewed several budget transfers (attached) that will need to be made within the FY2002 Annual Budget to reflect changes in expenditure requirements in the States Attorney's Office, the Circuit Court, and the Convention & Visitors Bureau. These changes will be included in a resolution that will be presented for County Board approval at its October meeting.

There being no further business, the meeting adjourned.