

COMMITTEE REPORT

COMMITTEE: Finance, Tax & Budgets
CHAIRPERSON: Ron Smith
DATE/TIME: March 29, 2012

PRESENT: Ron Smith Rick Dittmar Randy Jobgen
 Steve Rutz Ron Mapes Marvin Schultz

Other Board members:

Others: Dan Reimer, Carol Soat and Kevin Turner.

1. **Minutes** – Steve Rutz made a motion to approve the February 29, 2012 minutes. Seconded by Rick Dittmar and motion passed.

2. **Citizens Comments**

3. **Staff Reports**

a) Chief County Assessment Office. Chief County Assessor, Donna Berlage, was not able to attend the meeting but provided a monthly report. Chairman Smith reviewed the Assessor's report with the Committee - the final abstract was turned over to the County Clerk's Office on March 14, 2012. A meeting with the Township Supervisors and Clerks on the assessment redistricting was held on Monday March 12th at 7 p.m. in the large courtroom. Sixteen townships were represented at the meeting. A Power Point Presentation was sent to the townships that were unable to attend. There was discussion on combining townships into larger districts. Several townships were concerned about whether their taxes would increase. The townships will discuss the presentation with their respective boards and have until September 15, 2012 to accept the plan as presented by Berlage or submit an alternative plan. The Assessor's office received 10 PTAB cases for 2010. Five are due on June 7th and the balance are due June 21st. Twelve (12) applications were filed for flood debasement covering 22 parcels. A total of 598.35 acres were adjusted for flooding. The assessed value prior to adjustment was \$245,262 and after adjustment \$161,684 with a difference in assessed value of \$83,578.

b) Treasurer's Office. Carol Soat, Treasurer, reported that the tax cycle is almost one month ahead of last year. Soat anticipates that the County Clerk's Office should receive the final abstract back from the Illinois Department of Revenue either the first or second week of April. If that occurs, the County Clerk's Office will need about two weeks to do their work which includes calculation of aggregate extensions under PTELL and send out tax computation reports to the taxing districts. After all the taxing districts certify their extensions, the Clerk's office will roll over the tax computations to the Treasurer's office. Soat is hopeful that her office can print and mail out tax bills by April 30th. If that occurs the first tax installment will be due June 1st. Steve Rutz asked Treasurer Soat if she could prepare a Treasurer's tax cycle planner for 2011-2012 similar to the planner that the Assessor's Office provides to the Committee.

c) County Administrator. Dan Reimer, County Administrator, reviewed the year end FY2011 financials statements. Reimer also reviewed updated economic data for

sales tax receipts, local use tax, income tax, corporate personnel property tax, hotel/motel tax, building permits and transfer declarations.

4. Unfinished Business

- a) Jo Daviess County strategic goals. This will be added to next months agenda.
- b) Update on Finance Committee assignments associated with the 2011 County Board Retreat. The committee reviewed the Finance Committee assignments from the April 2011 County Board Retreat including the assignment of funding for Public Safety Radio Communication System and the referendum question that was on the March 2012 election ballot. Sheriff Turner discussed grant possibilities that could be or have been applied for in conjunction to the Radio Communications Upgrade Project. Ron Smith discussed a proposal for services received from a lobbyist to help secure funds for the Jo Daviess County Radio Communications System. Other possible funding options discussed included a donation campaign and the possibility of implementing a charge or fee to the twenty-seven (27) emergency agencies that utilize the Jo Daviess County emergency radio communication system. The committee discussed the recommendation to live within our means – control the budget. There was lengthy discussion on the fact that a high percentage of the annual budget is related to personnel costs and what options might be available to help decrease or at least maintain expenses related to personnel. An informational meeting for all County employees regarding the Jo Daviess County group health insurance program is scheduled for Tuesday, April 17, 2012. Jo Daviess County health insurance representative, Steve Hamilton, will provide an overview of county's current group health insurance plan program and discuss trends that are occurring in the health insurance industry and possible options that may be of interest to the county and to county employees. The committee also discussed the Jo Daviess County employee position classification plan; it was suggested that the current plan which was adopted several years ago should be reviewed.
- c) Update on the Township Assessor Pilot Program. This item will be added to next months agenda.
- d) Update on Intergovernmental Agreements for Township Assessor Program. This item will be added to next months agenda.
- e) Update on options for re-districting of multi-township assessment districts. This item will be added to next months agenda.
- f) Update on timeline to input building cost data into the Devnet CAMA system. The County Assessor's Office provided a report by Township with the number of parcels completed. This will be added to next months agenda.
- g) Update on PTAB (Property Tax Appeal Board) cases. This item was discussed in the Chief County Assessor's Departmental report.
- h) Update on referendum for the Jo Daviess County Public Safety Radio Communications System. See above

- i) Update on flood debasement program for farmland assessments. This item was discussed in the Chief County Assessor's report. See above.
- j) Update on options and costs for group health insurance. See above.

5. New Business

- a) Discussion and possible action on resolution to execute a deed of conveyance of the County's interest for parcel number 06-500-185-03 in East Galena Township. **Steve Rutz made a motion to approve a resolution to execute a deed of conveyance of the County's interest for parcel number 06-500-185-03 in East Galena Township. Seconded by Randy Jobgen and motion passed.**
- b) Review, discussion and possible action on the FY2012 list of Prioritized Options for Reducing Expenses and/or Increasing Revenue. The Committee reviewed a policy adopted on November 8, 2011 by the Jo Daviess County Board that prioritized a list of options for FY2012 for reducing expenses and/or increasing revenue should certain events occur which would require action by the County Board. Criteria for implementation include; revenue receipts declining or lagging below budget estimates, the financial position of the County declining more than anticipated, and/or future financial planning goals of the County. The need to implement any of the options is to be assessed at the conclusion of four major accounting milestones. These milestones included: the October budget workshops, results of the annual audit (March/April), and 4-5 months of current year financial data (April/May). All though preliminary audit results do not show that the financial position of the county has significantly declined the committee would like to review category 2 options again next month after more financial information is available.
- c) Discussion and possible action on a resolution to correct due to/due from audit adjustments made in prior years. Dan Reimer working with the auditors, Carol Soat and the Treasurer's office presented a resolution to approve FY2011 adjusting journal entries to correct audit entries made in prior years. The equity fund balance for certain funds will either increase or decrease as a result of these entries: the General Fund 001 will increase \$33,433, the Tourism Promotion Fund 027 will decrease \$16,327, the Recorder Automation Fund 028 will decrease \$3,630 and the GIS Automation Fund 058 will decrease \$11,476. **Randy Jobgen made a motion to approve a resolution to approve FY2011 adjusting journal entries to correct audit entries made in prior years. Seconded by Rick Dittmar and motion passed.**
- d) Update on FY2011 Audit and GASB 54 Implementation. Dan Reimer discussed that he has been working with the auditors from Clifton Larson Allen regarding the implementation of GASB 54 and explained that each of the special revenue funds were reviewed to determine how they should be classified under the new requirements for financial reporting under GASB 54. It was determined that two funds no longer qualify as special revenue funds, the Contingency Fund and the Catastrophic Public Health Emergency Fund, rather they meet the definition of a stabilization fund. Per the standard, stabilization funds represent funds that are formally set aside for use in emergency situations or when revenue shortages or

budget imbalances arise, and may be spent only when certain circumstances exist. Since special revenue funds now have to have a primary revenue source that is legally restricted or “committed”, and since stabilization funds can’t be considered committed, these two funds will no longer be classified as special revenue funds. For internal reporting purposes they will continue to be separate funds, separately budgeted for. For financial reporting purposes in accordance with generally accepted accounting principles, the Contingency Fund will be combined with the General Fund and the Catastrophic Public Health Emergency Fund will be combined with the Public Health Fund. There will be combining schedules in the financial statements that show these funds separately and will include a new combined total. In addition, there are 6 funds that were set up for specific capital improvement/capital projects purposes. These funds now qualify as capital projects funds under the new standard. These funds are being reclassified from special revenue funds to capital projects funds. These funds include: Public Health Capital Investment Fund, Tourism Capital Development Fund, County Capital Improvements Fund, County Capital Equipment Fund, Home Health Care Capital Equipment Fund, and GIS Capital Equipment & Investments Fund.

6. Other.

7. Board member concerns.

- 8. Citizens’ comments.** Treasurer, Carol Soat asked that the April 26th Finance, Tax & Budgets committee meeting be scheduled to start at 6:00 pm since there will be two presentations. It was the consensus of the committee to start the Finance, Tax and Budget meeting at 6:00 pm on April 26, 2012.

Next committee meeting is on Thursday, April 26, 2012 @ 6:00 p.m.

Ron Smith made a motion to adjourn at 10:12 pm. Seconded by Rick Dittmar and motion passed.