

COMMITTEE REPORT

COMMITTEE: Finance, Tax & Budgets
CHAIRPERSON: Ron Smith
DATE/TIME: April 28, 2011

PRESENT: Ron Smith Rick Dittmar Gavin Doyle
 Steve Rutz Ron Mapes Marvin Schultz

Other Board members: Gerald Bennett, Merri Berlage, Margie Montelius, Terry Stoffregen and Don Zillig

Others: Dan Reimer, Carol Soat, Jean Dimke, Kevin Turner, David Farmer and Kevin Wills.

Chairman Ron Smith moved forward item 4a Presentation of FY2010 Jo Daviess County Financial Audit – David Farmer and Michelle Horaney, McGladrey & Pullen, LLP. David Farmer from McGladrey & Pullen who was the Engagement Manager for the onsite quality control review for this years audit gave an overview of the financial highlights. Farmer reported that Jo Daviess County was given a clean opinion which means that this was an unqualified opinion in which they determined that there were no material misstatements based upon the audited financial statements. This opinion included the Budget Circular A-133, which is an audit over the federal awards. An additional opinion on Government Auditing Standards was provided. This provides an opinion concerning the general laws and regulations compliance with State laws and provisions. Farmer summarized Jo Daviess Counties financials; the revenue for all governmental funds in FY2010 was \$13,400,000 which is a 1% increase from FY2009, the expenditures for all governmental funds in FY2010 was approximately \$13,300,000 which is a 3% increase. Farmer discussed the control deficiency letter and stated that there were five areas reported. **Ron Mapes made a motion to accept and move forward the FY2010 Financial Audit Report as presented by McGladrey & Pullen, LLP. Seconded by Rick Dittmar and motion passed.**

Chairman Ron Smith moved forward item 4b Public Finance Presentation – Kevin Wills, First Midstates, Inc. Kevin Wills reviewed the financial options that were available to Jo Daviess County for funding the Radio Communication Upgrade Project. Counties per state statute have a debt ceiling of 5.75% of their EAV (Estimated Assessment Value). Wills stated that there are three main types of bonds or options to fund this project; General Obligation Bond, Revenue Bond and General Obligation Alternate Revenue Source Bond (aka Alternate Bond). Of the three options the Alternate Bonds are the most popular and can have the lowest interest rates. The committee discussed that there would be a time restraint on when the funding was needed because the Radio Communication Upgrade Project has a deadline of April 01, 2012 so it would not be an option to go to referendum. Wills stated that the average fee that is charged by the bonding company to issue bonds is between 2 – 3 ½ % of the bond amount. And that this fee is not paid until the bonds are actually issued so if the County would decide to not go forward with bonds there is no obligation of fees. The committee reviewed the timeline schedule for the Radio Communication System Upgrade Project and discussed that if the County needs revenue

from the bonds shortly after November 30, 2011 (end of fiscal year 2010) then the County Board would need to adopt the Bond Ordinance no later than the November County Board meeting. Funds could then be available as soon as two weeks after the Bond Ordinance is established.

1. **Minutes** – Ron Mapes made a motion to approve the March 31, 2011 meeting minutes. Seconded by Rick Dittmar and motion passed.

2. **Staff Reports**

- a) Chief County Assessment Officer. Chief County Assessment Officer Donna Berlage reported that the Board of Review conducted 120 hearings from April 4th to April 7th. The Board of Review and Berlage toured Chestnut Mountain Resort. The Board of Review met on April 12th to finalize the last of their decisions and adjourn for 2010. The abstract was sent to the State of Illinois on April 20th and the final decisions of the Board of Review were sent on April 28th. Berlage gave an update on the data input for the CAMA program. With the resignation of Chris White the Apple River/Thompson Township multi-assessment district has contracted with Theresa Cole to assist in the completion of the 2011 assessment work. Laura Edmonds, Deputy County Assessment Officer has also contracted with Apple River/Thompson Township to view and record information regarding vacant lots at Apple Canyon Lake. Ron Smith discussed that while talking to Theresa Cole about the Township Pilot Program that it was discovered that the laptops would need a wireless modem to be able to connect to the Devnet program while inputting data out in the field. Smith researched the costs for a wireless modem and discovered that US Cellular probably had the best coverage in the Apple River/Thompson area and different options were available. The best option would be to buy a used modem for \$80 with free activation and a monthly rate of \$49.95. Service could then be suspended during certain months of the year.
- b) Treasurer's Office. Treasurer Carol Soat reported that with the improved timing of this year's tax cycle and the sending of the abstract to the state on April 20th her goal is to send out tax bills by May 21st, with the first installment due on the 23rd or 25th of June. Soat reported that during the first part of April her office sent out 478 Mobile Home tax bills with a total tax for all units of approximately \$35,000. Mobile home taxes are due by June 7th. The Treasurer's Office will be taking electronic payments through Illinois epay and training for staff on this new program is scheduled for May 11th. Soat reported that she was notified by First Community Bank that the interest rates would go from 1 ¾ to ¾ percent.
- c) County Administrator. Dan Reimer presented handouts of updated economic statistics for Jo Daviess County. Reimer also reviewed some of the financial highlights from the completed FY2010 audit.

3. **Unfinished Business**

- a) Jo Daviess County strategic goals. The committee reviewed the committee goals.
- b) Township Assessor pilot program. See above.
- c) Township Assessor program intergovernmental agreement. This action is currently on hold. Leave on the agenda for next month.

- d) Update on schedule of data input from Devnet. Ron Smith has been in contact with Devnet and stated that the invoice for the remaining amount of \$16,000 should be submitted with the May claims.
- e) Re-districting per tax code for multi-township assessment districts. This item will remain on the agenda.
- f) Update on timeframe to load cost data into the CAMA system. Donna Berlage supplied the committee with information on the Townships that are completed and the remaining number of parcels to be completed.
- g) Jo Daviess County Purchasing Ordinance. Dan Reimer reviewed the additional revisions that were made since the last meeting including those suggested at the April 26th Department Head meeting. **Ron Mapes made a motion to move forward the revised Jo Daviess County Purchasing Ordinance. Seconded by Gavin Doyle and motion passed.**
- h) Update on PTAB (Property Tax Appeal Board) cases. This item will remain on the agenda for next month.

4. New Business

- a) Presentation of FY2010 Jo Daviess County Financial Audit – David Farmer and Michelle Horaney, McGladrey & Pullen, LLP. See above.
- b) Public Finance Presentation – Kevin Wills, First Midstates, Inc. See above.
- c) Discussion and possible action regarding funding options for the Jo Daviess County Radio Communication Upgrade Project.
- d) Discussion and possible action on Executive Committee assignments associated with the County Board Retreat.
- e) Discussion and possible action on a resolution to establish revenue and expense line items to account for the JDC Pharmaceutical Drug Collection Program. **Rick Dittmar made a motion to forward a resolution to establish revenue and expense line items to account for the JDC Pharmaceutical Drug Collection Program. Seconded by Ron Mapes and motion passed.**

5. **Other.** Marvin Schultz discussed that the Regional Office of Education Superintendent, Marie Steifel, will be retiring in June and the County Board Chairmen from Carroll County, Jo Daviess County and Stephenson County will appoint the Assistant Superintendent to fill the remaining term.

6. Board member concerns.

7. Citizens' comments.

Next committee meeting is on Thursday, May 26, 2011 @ 7:00 p.m.

Gavin Doyle made a motion to adjourn at 9:57 pm. Seconded by Rick Dittmar and motion passed.