

COMMITTEE REPORT

COMMITTEE: Finance, Tax & Budgets
CHAIRPERSON: John Schultz, Chairman
DATE/TIME: June 4, 2020 @ 1:00 p.m.

PRESENT: John Schultz Steve Allendorf Staci Duerr
 Diane Gallagher Vacant Ron Smith
 Scott Toot John Lang

Other Board members: None

Others: Laura Edmonds, Melisa Hammer and Dan Reimer

1. **Call to Order** – John Schultz called the meeting to order at 1:03 pm.
2. **Roll Call** – A quorum was established.
3. **Approval of Minutes**
 - a) Minutes from January 30, 2020 Finance, Tax & Budgets Committee meeting – **John Lang made a motion to approve the January 30, 2020 Finance, Tax & Budgets Committee meeting minutes as presented. Seconded by Staci Duerr and motion passed.**
4. **Citizens Comments** – None
5. **Unfinished Business**
 - a) Update on Hotel/Motel Tax/Guest Accommodations/OTA’s/Education and Enforcement – Melisa Hammer, County Treasurer commented that there is nothing new to report at this time.
 - b) Update on Township Assessor vacancies – There was no new discussion at this time.
 - c) FY2019/FY2020 Strategic Goals and Plans – This item was bypassed for this meeting.

New Business

- a) Discussion and possible action on the FY2021 Budget Preparation Schedule – Dan Reimer discussed that the May Finance Committee meeting is usually the kick off meeting for the budget. Reimer reviewed the proposed FY2021 Budget Preparation Schedule and commented that the schedule follows prior `year’s schedule. Reimer reviewed the fifteen step budget process. The committee reviewed the schedule. **Staci Duerr made a motion to approve the FY2021 Budget Preparation Schedule as presented. Seconded by John Lang and motion passed.**
- b) Discussion and possible action on the FY2021 Budget Review Schedule – Dan Reimer reviewed the proposed FY2021 Budget Review Schedule and discussed that the dates were revised accordingly from last year’s schedule. This year the recommendation is to start the joint committee budget meetings on Tuesday, August 25th with the Public Works and the Development & Planning Committee meeting with the Finance Committee. The recommended start time for each meeting is 5:30 p.m., the same as for 2019. There is a conflict with the Tuesday, August 25 date. The Development & Planning Committee is scheduled to meet that day at 7:00 p.m. Development & Planning Chairman, Diane Gallagher will work with the committee to find an alternate date for their meeting. The committee reviewed the schedule. The schedule will go to the County Board for final

approval. **Scott Toot made a motion to approve the FY2021 Budget Review Schedule as presented. Seconded by Diane Gallagher and motion passed.**

- c) Review, discussion and possible action on the Jo Daviess County Vehicle Replacement Plan – Dan Reimer reviewed the updated 2020 Jo Daviess County Vehicle Replacement Plan. The schedule is updated annually as of May 1st. Each County owned vehicle is listed with the following information: description of the vehicle, date purchased, cost, depreciation schedule, vehicle condition, odometer reading, anticipated year of replacement, and funding source. John Lang asked about some of the Transit vehicles that are listed as inoperable. Dan Reimer reported that a couple of the vehicles are actually used for parts and remain on the inventory list.
- d) Review Pre-Round 1 General Fund FY2020 Estimated Actual Revenue Projections – Dan Reimer discussed that due to the COVID-19 pandemic we completed a pre-round 1 estimated FY2020 actual revenue exercise. We wanted to get a little better picture from the Department Heads as to where they see revenues headed in the next few months. Reimer reviewed the revenue projections. March sales tax revenue has not been posted on the Illinois Department of Revenue website yet, so we do not have that included in these projections. Historically we are about 4% - 5% under budget on the expense side so the General Fund could be looking at a million dollar deficit for FY2020. We will continue to gather more current information as we further into the budget process.
- e) Review FY2020 Prioritized Options for Reducing Expenses and/or Increasing Revenue – Dan Reimer discussed that on March 19, 2020, in anticipation of increased expenses and reduced revenue due to COVID-19, the Jo Daviess County Board, voted to implement several Category 2 expense reducing options in the *FY2020 Prioritized Options for Reducing Expenses and/or Increasing Revenue Policy*. The following Category 2 expense reducing options were approved: Hiring freeze – any new or vacant positions to be filled only with approval of the County Board; Delay budgeted projects (2020); Limitations on new purchases – no purchase processed except for essential operating goods, contracts; grant orders, repairs to equipment and emergencies. The original motion was amended to read “Delay budgeted projects and/or capital improvements over \$25,000.00”. The committee reviewed and discussed the policy.

7. Staff Reports

- a) **Chief County Assessment Office** – Laura Edmonds, Chief County Assessor, reported it has been business as usual in her office. They are starting to gear up. The Township Assessors will be bringing in their work by June 15th. Of the 23 townships we have already received assessment information from eight of them. Edmonds received eight new PTAB cases today which are due down to the state on August 2nd. Board of Review will open up their 2021 session on June 12th. You can see the 2019 annual assessor’s office report that was sent out in the documents in the committee packet.
- b) **Treasurer’s Office** – Melisa Hammer, County Treasurer, commented that the amount of revenue collected for hotel/motel tax has decreased significantly in the past two months. We paid out \$49,000 in February and \$16,000 last month. Right now we are at about \$8,000 collected. The Treasurer’s office has been busy collecting property taxes, as first half taxes were due June 1st. A number of property owners have inquired about the penalty for paying late. There has been some confusion with an article in The Flash. Hammer is not sure who put it in the paper. It seems to mislead people to think that the due date was changed instead of the penalty. The Resolution adopted by the County Board does not change the due date, rather it waves the interest penalty on the first half payment if both the first half and second half payment are paid by September 1st. Hammer reported that

Treasurer's office staff are now back in the office full time. As of today we have collected about \$26 million in property tax out of \$55 million billed out. We had a little bit of a glitch in the online service, but we are working through that.

- c) **Grants Administrator** – Trina Orr, Grants Administrator, was not in attendance.
- d) **County Administrator** – Dan Reimer, County Administrator, prepared a report that is in the packet. Reimer focused on some of the baseline policies and some of the Government Finance Officers Association strategies. Reimer discussed cash flow analysis, minimum fiscal year end fund balance policies and GFOA Strategies for balancing the budget. Diane Gallagher commented that she is confident in Reimer's budgeting approach.

8. Citizens' comments - None

- 9. Board Member Concerns** – John Lang commented that the materials here are very valuable and asked committee members to download these documents so that we don't need to keep reproducing them in the future. Lang feels the way we have handled the finances of this county is phenomenal. Staci Duerr commented that she is hopeful that the governor will have the state opened back up by August because she feels it will be challenging to have all of these committee meetings to talk about what will probably be a difficult budget. Diane Gallagher commented that they are aware that the low response rate for the Census may be related to second homes, but those second homes are now being urged to report zero if they have already reported their residence. Be aware that our population has changed. Scott Toot added that he will still do the Census radio commercial. Ron Smith is concerned with the future outlook of the virus after the demonstrations. John Lang commented that the State has increased the local share of the distributive fund but continue to keep a portion of the local share of the corporate personal replacement tax.

The next Finance, Tax & Budgets Committee meeting will be on Thursday, June 25, 2020 @ 5:30 p.m.

Scott Toot made a motion to adjourn at 2:03 pm. Seconded by John Lang and motion passed.