

*Note: These minutes are not official until approved by the Finance Committee at a subsequent meeting. Please refer to the meeting minutes when these minutes are approved to obtain any changes to these minutes.*

DeKalb County Government  
Sycamore, Illinois

**Finance Committee Minutes  
July 1, 2020**

The Finance Committee of the DeKalb County Board met virtually via Zoom on Wednesday, July 1, 2020. Chairman Bagby called the meeting to order at 7:00 p.m. Those Members present were Mr. Scott Campbell, Mr. Steve Faivre, Mr. John Frieders, Ms. Dianne Leifheit, Ms. Linda Slabon, and Chairman Tim Bagby. Mr. Jerry Osland was absent. A quorum was established with six Members virtually present and one absent.

Others present via Zoom included Mark Pietrowski, Karen Cribben, Pete Stefan, and Greg Millburg.

**APPROVAL OF THE AGENDA**

**It was moved by Mr. Campbell, seconded by Mr. Faivre and it was carried unanimously to approve the agenda as presented.**

**APPROVAL OF THE MINUTES**

**It was moved by Ms. Slabon, seconded by Mr. Frieders and it was carried unanimously to approve the minutes of the June 3, 2020 Finance Committee Meeting.**

**PUBLIC COMMENTS**

There were no public comments.

**UPDATE ON PROPERTY TAX PENALTY WAIVER**

Mr. Stefan shared an update provided by DeKalb County Treasurer/Collector Christine Johnson that Ms. Johnson's Office made their second tax distribution on June 26<sup>th</sup> and they have now sent out \$120.8 million or 52.6% of the funds they are charged with collecting this year.

In comparison, in 2019 they had collected 52.9% at this time of the year, in 2018 it was 53.4%, and in 2017 it was 53.2%. Basically, the distributions have varied by only tenths of a percentage point each year which is not considered material.

In regards to the waiver of penalties, 69 taxpayers availed themselves of the waiver program and 116 parcels had penalties waived that amounted to \$8,696.37 in total waived penalties.

**Mr. Osland joined the Zoom meeting virtually at 7:08 p.m.**

**COVID-19 IMPACT ON COUNTY FINANCES**

Mr. Stefan presented an updated Dynamic Revenues Report depicting the early stages of impact that the COVID-19 pandemic is having on the County's FY 2020 budget. He also provided the Committee with numerous revenue charts depicting historical revenue trends of some key revenues for the County. Those reports and charts are attached as exhibits to these minutes.

Ms. Slabon requested clarification on what the liability month reference was in regards to sales tax. Mr. Stefan reported that referred to the month any particular sale was made in and thus the sales tax liability was incurred in that month.

Mr. Frieders asked questions in regards to the lag in Motor Fuel Tax revenue. Mr. Stefan responded that those are based on volume of fuel sold and had no bearing on the price of fuel.

Mr. Frieders asked about the varying amounts of income tax receipts from month to month. Mr. Stefan explained that the highest revenue month has traditionally been May since income taxes are usually due in April but that will shift to August this year as income taxes are not due until July this year. Other factors affecting income tax revenue are the timing of payroll withholding tax remittances, quarterly tax payments, and annual tax payments.

Mr. Campbell asked if an overall estimate of revenue shortfall had been made. Mr. Stefan responded that initial estimates were about \$2.3 million for a low impact scenario, \$3.3 million for a moderate impact scenario, and \$4.3 million for an extreme impact scenario. He also explained that as of December 31, 2019, the General Fund had a fund balance of about 41% of expenditures and it could fall to 30% or so by the end of 2020 which is still above the 25% target.

Mr. Stefan reported that the County has spent \$260,000 in Commodities and Services through June for unbudgeted COVID-related items. That number doesn't take into account any personnel numbers. Some of the \$260,000 will be reimbursable but some won't. Mr. Stefan reported that unfortunately the more information he gets the less confident that he is that much of any of it will be reimbursable for departments other than the Sheriff's Office and the Health Department that are considered essential frontline workers in the fight against the pandemic. He is hearing that some of the dividers, shields, sanitizers, masks, and gloves, unless you are a healthcare worker or emergency responder, the granting agencies are considering those increased operational costs, which would not be reimbursable. He is waiting for additional guidance from FEMA because there is a lot of negative feedback and pushback about that so they are going to issue additional guidance. Everything that is FEMA-eligible will be reimbursed at 75%.

#### **CLAIMS REVIEW**

Mr. Stefan highlighted that the June County Claims included the early stages of the body camera program purchases and that all outside agencies received their funding in June. Mr. Bagby asked questions on whether or not the Employee Assistance Program had an implicit bias training component, on the various shredding costs across departments, and on the water and sewer bill at the County's Waterman facility.

#### **ADJOURNMENT**

**It was moved by Mr. Campbell, seconded by Mr. Frieders and it was carried unanimously to adjourn the meeting at 7:51 p.m.**

Respectfully submitted,

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Tim Bagby, Chairman

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Pete Stefan, Recording Secretary

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## DeKalb County - Key Revenue Trend Analysis

07-01-2020

Sales Tax (0.25%)									
Liability Month	Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	% Inc/(Dec) from Prior FY	2020 Budget	Budget Variance
November	-	-	-	-	-	-	-	-	-
December	-	-	-	-	-	-	-	-	-
January	322,947	232,384	301,875	264,798	238,728	170,116	-28.7%	158,000	12,116
February	264,066	243,374	290,810	270,204	221,111	163,318	-26.1%	166,500	(3,182)
March	345,305	291,099	314,891	308,235	310,007	160,109	-48.4%	202,200	(42,091)
April	357,933	276,647	326,665	297,034	332,495			205,100	
May	375,530	310,286	326,177	360,494	353,796			219,700	
June	372,543	327,503	346,653	334,015	327,146			215,900	
July	343,345	327,874	329,871	348,078	332,814			205,100	
August	362,081	349,276	320,460	360,339	329,233			209,000	
September	330,805	302,343	326,317	344,380	318,585			219,300	
October	317,003	310,706	295,908	351,981	312,880			208,400	
November	302,852	312,398	305,703	315,803	313,176			205,800	
December	332,807	367,850	334,034	330,750	226,985			225,000	
YTD Totals	4,027,216	3,651,739	3,819,364	3,886,112	3,616,956	493,544		2,440,000	(33,156)
YTD Inc/(Dec) from Prior Fiscal Year	(314,558) -7.2%	(375,477) -9.3%	167,625 4.6%	66,748 1.7%	(269,156) -6.9%	(276,302) -35.9%			

Note: Airline fuel sales tax ended with Liability Month November 2019 sales.

## DeKalb County - Key Revenue Trend Analysis

07-01-2020

Sales Tax (1.00%)									
Liability Month	Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	% Inc/(Dec) from Prior FY	2020 Budget	Budget Variance
November	-	-	-	-	-	-	-	-	-
December	-	-	-	-	-	-	-	-	-
January	39,100	36,299	23,857	25,757	35,150	28,085	-20.1%	35,200	(7,115)
February	29,346	26,207	18,137	24,417	27,930	21,582	-22.7%	28,000	(6,418)
March	20,078	23,712	21,152	25,389	29,199	22,584	-22.7%	29,200	(6,616)
April	19,571	20,382	22,199	28,197	26,964			27,000	
May	20,634	19,476	23,569	25,696	30,657			30,700	
June	22,532	21,399	28,119	27,264	32,569			32,600	
July	22,918	19,389	19,153	27,967	29,023			29,100	
August	26,047	22,516	29,085	31,781	28,621			28,700	
September	37,796	41,066	41,544	54,206	36,969			37,000	
October	42,940	40,022	42,204	52,256	54,374			54,400	
November	16,070	26,291	45,246	37,037	43,557			43,600	
December	28,704	33,540	33,210	34,249	44,518			44,500	
YTD Totals	325,736	330,300	347,474	394,215	419,531	72,251		420,000	(20,149)
YTD Inc/(Dec) from Prior Fiscal Year	(85,929) -20.9%	4,564 1.4%	17,175 5.2%	46,741 13.5%	25,315 6.4%	9,171 14.5%			

Note: Airline fuel sales tax ended with Liability Month November 2019 sales.

# DeKalb County - Key Revenue Trend Analysis

07-01-2020

Income Tax									
Voucher Month	Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	% Inc/(Dec) from Prior FY	2020 Budget	Budget Variance
December	-	-	-	-	-	-	-	-	-
January	129,596	157,053	136,797	120,895	131,995	145,589	10.3%	135,900	9,689
February	193,357	171,865	158,215	174,994	158,800	149,997	-5.5%	163,500	(13,503)
March	84,352	99,498	82,811	87,974	95,618	111,537	16.6%	98,400	13,137
April	172,375	153,955	159,698	135,088	153,583	163,821	6.7%	158,100	5,721
May	285,178	216,998	213,227	218,193	319,475	160,395	-49.8%	328,800	(168,405)
June	118,430	103,726	110,274	100,797	99,771	99,351	-0.4%	102,700	(3,349)
July	167,097	148,034	145,879	136,287	149,205			153,600	
August	96,970	86,206	69,715	100,044	106,954			110,100	
September	92,358	94,162	82,231	97,639	94,660			97,400	
October	162,323	139,146	125,201	151,749	168,891			173,800	
November	107,029	93,392	94,225	109,294	110,227			113,500	
December	83,704	84,611	82,954	90,589	104,160			107,200	
YTD Totals	1,692,769	1,548,646	1,461,228	1,523,542	1,693,339	830,690		1,743,000	(156,710)
YTD Inc/(Dec) from Prior Fiscal Year	169,581 11.1%	(144,123) -8.5%	(87,418) -5.6%	62,314 4.3%	169,797 11.1%	(128,552) -13.4%			

# DeKalb County - Key Revenue Trend Analysis

07-01-2020

Local Use Tax								2020 Budget	
Voucher Month	Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	% Inc/(Dec) from Prior FY	Budget	Variance
January	28,542	30,981	33,409	34,747	42,971	51,124	19.0%	43,400	7,724
February	27,135	30,531	32,436	40,250	47,546	47,895	0.7%	48,000	(105)
March	41,130	43,659	50,403	50,909	57,494	65,719	14.3%	58,000	7,719
April	14,552	26,824	29,117	30,304	33,352	45,507	36.4%	33,700	11,807
May	28,403	27,343	27,402	31,164	38,422	39,546	2.9%	38,800	746
June	29,946	32,130	35,634	37,636	43,679	50,306	15.2%	44,100	6,206
July	29,395	31,295	30,600	32,847	41,343			41,700	
August	27,999	30,453	30,831	35,817	41,521			41,900	
September	31,582	34,346	32,610	38,359	42,210			42,600	
October	29,281	27,335	31,220	37,211	43,394			43,800	
November	26,756	29,799	33,201	35,389	41,574			42,000	
December	30,763	30,632	34,990	40,597	46,563			47,000	
January	-	-	-	-	-			-	
February	-	-	-	-	-			-	
YTD Totals	345,482	375,329	401,852	445,230	520,068	300,097		525,000	34,097
YTD Inc/(Dec) from Prior Fiscal Year	48,692 16.4%	29,847 8.6%	26,523 7.1%	43,378 10.8%	74,838 16.8%	36,635 13.9%			

# DeKalb County - Key Revenue Trend Analysis

07-01-2020

## Personal Property Replacement Tax

Voucher Month	Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	% Inc/(Dec) from Prior FY	2020 Budget	Budget Variance
December	-	-	-	-	-	-	-	-	-
January	89,292	84,406	95,374	62,986	67,688	100,750	48.8%	61,400	39,350
February	-	-	-	-	-	-	-	-	-
March	25,490	33,899	61,266	55,875	26,699	20,029	-25.0%	24,200	(4,171)
April	156,007	120,724	156,066	114,860	132,750	138,300	4.2%	120,500	17,800
May	128,537	97,537	100,506	117,080	161,392	88,418	-45.2%	146,500	(58,082)
June	-	-	-	-	-	-	-	-	-
July	105,596	106,032	102,776	91,230	95,329			86,500	
August	14,231	12,344	4,739	9,220	11,436			10,400	
September	-	-	-	-	-			-	
October	106,152	96,443	70,162	82,560	165,913			150,600	
November	-	-	-	-	-			-	
December	25,926	25,663	18,499	20,189	27,553			24,900	
YTD Totals	651,230	577,048	609,388	554,003	688,761	347,497		625,000	(5,103)
YTD Inc/(Dec) from Prior Fiscal Year	40,515 6.6%	(74,183) -11.4%	32,340 5.6%	(55,385) -9.1%	134,759 24.3%	(41,033) -10.6%			