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DeKalb County Government
Sycamore, Illinois

**Finance Committee Minutes
October 7, 2020**

The Finance Committee of the DeKalb County Board met virtually via Zoom on Wednesday, October 7, 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, Mr. Jerry Osland, Ms. Linda Slabon, and Chairman Tim Bagby. A quorum was established with all seven Members virtually present.

Others present via Zoom included Gary Hanson, Pete Stefan, Derek Hiland, Christine Johnson, Sheila Santos, Jim Scheffers, Nathan Schwartz, Mark Pietrowski, Ellen Rogers, Greg Millburg, Kathy Lampkins, Anthony Cvek, Karen Cribben, Chris Porterfield, Jeff Whelan, Sue Willis, Maureen Little, and Laurie Emmer.

APPROVAL OF THE AGENDA

It was moved by Ms. Leifheit and seconded by Mr. Campbell to approve the agenda as presented. Those Members voting yea were Mr. Campbell, Mr. Faivre, Mr. Frieders, Ms. Leifheit, Mr. Osland, Ms. Slabon, and Chairman Bagby. The motion carried unanimously by roll call vote.

APPROVAL OF THE MINUTES

It was moved by Mr. Osland and seconded by Ms. Slabon to approve the minutes of the September 2, 2020 Finance Committee Meeting. Those Members voting yea were Mr. Campbell, Mr. Faivre, Mr. Frieders, Ms. Leifheit, Mr. Osland, Ms. Slabon, and Chairman Bagby. The motion carried unanimously by roll call vote.

PUBLIC COMMENTS

Mr. Jeff Whelan noted that he has been going door to door in his District and he has been asked the same question multiple time and that being why the County is going to be raising taxing during this COVID-19 pandemic. He inquired as to how he could answer that question made by his constituents.

Mr. Anthony Cvek of Sycamore questioned if #7 on the agenda (Voluntary Action Center Line of Credit & Land Use Resolution) was an informational item or if Committee action was going to be requested this evening on that item. ---It was clarified that no action would be requested to be taken on either of those Voluntary Action Center related items this evening.

FY 2021 BUDGET PUBLIC HEARING

Chairman Bagby opened the FY 2021 Budget Public Hearing at 7:04 p.m.

Hearing no comments, Chairman Bagby closed the FY 2021 Budget Public Hearing at 7:05 p.m.

PROPERTY TAX SALE RESOLUTIONS

DeKalb County Treasurer/Collector Christine Johnson shared that she is bringing one Property Tax Resolution for consideration. The property is in Sycamore. It is an abandoned, uninhabitable home and has many years of delinquent taxes. The City of Sycamore has requested and has paid the minimum bid so that they can get deed to this property in order to clean it up and get it back on the tax rolls.

Mr. Faivre moved to forward the Resolution to the full County Board recommending its approval. Mr. Campbell seconded the motion and a roll call vote was taken. Those voting yea were Mr. Campbell, Mr. Faivre Mr. Frieders, Ms. Leifheit, Mr. Osland, Ms. Slabon, and Chairman Bagby. The motion carried unanimously.

VOLUNTARY ACTION CENTER LINE OF CREDIT & LAND USE RESOLUTION

Line-of-Credit

Mr. Stefan explained that in the City of DeKalb for many years has authorized a line-of-credit to provide payment on transit services provided by the Voluntary Action Center in lieu of delayed Downstate Operating Assistance Program Grant funding to ensure uninterrupted public transit services until the grant funds are received.

The City of DeKalb is now transitioning to a new company to provide their urban transit services so VAC has approached the County to see if they would possibly be interested in becoming VAC's new line-of-credit sponsor for their rural transit services for the County's Downstate Operating Assistance Grant funding.

It was explained that many times there is a delay in grant dollars from the state which puts a hardship on VAC and causes cashflow issues at times. The line-of-credit helps elevate those issues. There are no County dollars involved. It would be all grant dollars.

Mr. Stefan has passed this request off to the State's Attorney's Office. They initially had some concerns with the City of DeKalb being a home rule unit and the County not being a home rule unit and whether this would be considered a form of debt. One way to do this would possibly have the County Board approve an annual Resolution pledging revenue to the line-of-credit, that way it is not subject to multi-year appropriations.

VAC Executive Director Ellen Rogers explained further how the line-of-credit has been utilized through the City of DeKalb and when and how much they have generally tapped into that line.

Mr. Hanson noted that if there was interest from the Committee to move forward with this, a provision they would probably put in the agreement would be that this would only be extended once the State has approved and signed off on the grant. Once they do that, the County knows they would get their money back.

The Committee provided a consensus to move forward with drafting up and agreement with VAC for a line-of-credit to review for consideration next month.

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Land Use

Mr. Hanson shared that this item has come to light since the City of DeKalb has gone with a private entity to provide their transit services. Many years ago, as a community, they tried to look into the possibility of building a Transportation Center. In 2012, the County Board passed a Resolution making a sufficient portion (14 acres) of County-owned land (Parcel #08-13-200-020) available for the construction of a new public transportation facility to serve the citizens of DeKalb County, should grant funds become available. This land is between Tails Barber Greene Road and the County Highway Department.

So now, that the City of DeKalb has announced that they were going to change their direction, it gave the County pause to say, does the County still want to make this land available for that purpose, given that it might now be utilized by the private sector. This is potentially some pretty prime land, being very close to Peace Road and Walmart. The big premise of why the County originally wanted to do this was because of Voluntary Action Center. With them out of the picture, it gives the County change to reexamine this arrangement.

Mr. Hanson was not looking for any action this evening but he wanted to gauge the Committee's feels on rescinding Resolution R2012-78.

Committee Members agreed this was something that they would like to see explored further and thought it would be best if the County was in control of that land again to be able to decide what is best to do with it in the future.

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 2019 Actual and 2020 Budget. He also provided the Committee with numerous revenue trend analysis.

The bottom line showed that the County is currently \$455,604 under budget in revenues. Mr. Stefan reported that the County has spent \$350,000 in Commodities and Services through May for unbudgeted COVID-related items. COVID-related personnel costs are currently at \$135,000. So right now, the County is at just about \$500,000 in increased expenditures, some(most) of which is hopefully reimbursed through grants. Grants have been submitted but there has been no word about reimbursements just yet, Mr. Stefan relayed.

Mr. Stefan also answered that he now believes that his projected \$1.5 million decrease in fund balance for 2020 may now be looking more like around \$1.2 million.

2010A AND 2010B BOND REFUNDINGS

Mr. Stefan explained that the draft Ordinance was provided to the Committee but as they can see, there are a lot of blanks. That is because the bond sale will take place the morning of the County Board Meeting.

The most current projections are a net present value savings of over \$800,000. What they are doing is spreading that over the remaining life of the bond issue (2029). The annual savings will go from \$90,000 in 2021 and the final year in 2029, there is expected to be a \$227,000 savings.

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The concept was converting this to a level debt service schedule in addition of taking advantage of the lower interest rates.

Mr. Faivre moved to forward the Ordinance to the full County Board recommending its approval. Mr. Osland seconded the motion. A roll call was taken and the motion carried unanimously with all seven Members voting yea.

FY 2021 BUDGET

FY 2021 Budget Appeal

Mr. Stefan shared that there was originally only one budget appeal filed for the FY 2021 Budget but it has since been withdrawn.

Questions & Review of Departments' FY 2021 Budget Request

Mr. Stefan and Mr. Hanson provided some clarifications on budget-related questions. Mr. Hanson additionally provided an explanation of the Tax Cap and the importance of capturing the COLA to help answer Mr. Whelan's comments previously in the meeting.

Ms. Johnson provided an update on property tax payments which concluded that the payments this year have been on par with every other year.

Mr. Bagby noted that although this proposed budget consisted of a lot of no's, it also has a lot of good within it. There are no cutting of services and a lot of good is being done.

CLAIMS REVIEW

Mr. Stefan offered to highlight any significant expenditures included in the last couple of month's Claims List including any items that were unusual from either a dollar amount perspective or due to the nature of the expenditure.

He also added that on the off-cycle claims, the last of the interfund loans was made for \$1,000,000 to the Nursing Home Expansion Fund. He wanted to highlight this because when the Board sees the October Claims List, there will be some eye-popping numbers on there because they are paying off the \$11,000,000 of interfund loans. They also received the bond proceeds in the Debt Service Fund and they need to be transferred to the Project Fund. So, there will be about a \$30,000,000 number and he wanted the Board to be aware of what was happening ahead of time.

ADJOURNMENT

Mr. Osland moved to adjourn the meeting at 8:22 p.m. Ms. Slabon seconded the motion. Those voting yea were Mr. Campbell, Mr. Faivre, Mr. Frieders, Ms. Leifheit, Mr. Osland, Ms. Slabon, and Chairman Bagby. Motion carried unanimously by roll call.

Respectfully submitted,

Tim Bagby, Chairman

Tasha Sims, Recording Secretary

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