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DeKalb County Government
Sycamore, Illinois

**Special Finance Committee Minutes
January 12, 2021**

The Finance Committee of the DeKalb County Board met in Special Session virtually via Zoom on Tuesday, January 12, 2021. Chairman Bagby called the meeting to order at 6:30 p.m. Those Members present were Mr. Steve Faivre, Mr. John Frieders, Ms. Dianne Leifheit, and Chairman Tim Bagby. Those absent were Mr. Scott Campbell, Mr. Bill Cummings, and Mr. Jim Luebke. A quorum was established with four Members present and three absent.

Others present via Zoom included Gary Hanson, Pete Stefan, Derek Hiland, Sheila Santos, Greg Millburg, Karen Cribben, Larry West, and Kathy Lampkins.

APPROVAL OF THE AGENDA

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

APPROVAL OF THE MINUTES

It was moved by Mr. Frieders and seconded by Mr. Faivre to approve the minutes of the November 4, 2020 Finance Committee Meeting. Those Members voting yea were Mr. Faivre, Mr. Frieders, Ms. Leifheit, and Chairman Bagby. All Members present voted yea. The motion carried unanimously by rollcall vote.

PUBLIC COMMENTS

There were no public comments.

APPROVAL OF THE PARTICIPATION IN THE SERVICE PROGRAM OF THE OFFICE OF THE STATE'S ATTORNEYS APPELLATE PROSECUTOR

This item was described as an annual housekeeping item for the County Board at the request of the State's Attorney.

The Office of the State's Attorneys Appellate Prosecutor is a state organization that provide appellate services for the State's Attorney's Office. The attorneys employed by the Office of the State's Attorneys Appellate Prosecutor, under this agreement, are authorized to act as Assistant State's Attorneys on behalf of the State's Attorney of this County in the appeal of all cases, when requested to do so by the State's Attorney, and with the advice and consent of the State's Attorney prepare, fil, and argue appellate briefs for those cases; and also, as may be requested by the State's Attorney, to assist in the prosecution of cases under the Illinois Controlled Substances Act, the Cannabis Control Act, the Drug Asset Forfeiture Procedure Act and the Narcotics Profit Forfeiture Act. Such attorneys are further authorized to assist the State's Attorney in the State's Attorney's duties under the Illinois Public Labor Relations Act, including negotiations thereunder, as well as in the trial and appeal of tax objections. They offer Continuing Legal Education training programs to the State's Attorneys and Assistance State's Attorneys. They may also assist the State's Attorney of this County in the discharge of the State's Attorney's

duties in the prosecution and trial of other cases, and may act as Special Prosecutor if duly appointed to do so by a court having jurisdiction. They also may be duly appointed to act as a Special Prosecutor in the County by a court having jurisdiction.

The total for the program commencing December 1, 2020 and ending November 30, 2021 will be \$28,000.00. That is the same amount as last year and was budgeted for in the FY 2021 Budget.

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

Mr. Bill Cummings arrived at 6:37 p.m.

DATA FIBER DIVESTMENT RESOLUTION

Information Management Director Sheila Santos explained that in 2010, DeKalb County Government was awarded a Broadband Technology Opportunities Program (BTOP) Grant (#NT10BIX5570030) from the U.S. Department of Commerce's "National Telecommunications and Information Administration" (NTIA) under the American Recovery and Reinvestment Act of 2009, to construct a 130-mile network across DeKalb County and Northern LaSalle County in Illinois. For nearly 10 years, this network has provided broadband communications services, including the operation of a high speed, large capacity, fiber-optic network primarily for Community Anchor Institutions (CAI's) including government, healthcare organizations, schools and not-for-profit entities as well as un-served and under-served areas.

DeKalb County Government has been operating this grant-funded, high speed, large capacity, fiber-optic network, known locally as the "DeKalb Advancement of Technology Authority" (DATA) for several years. The local company "Syndeo Networks, Inc." (who acquired DeKalb Fiber Optics) is currently providing service to commercial entities under the terms of an existing agreement with DeKalb County Government and has continued to expand into areas beyond the grant-funded network.

Various private-sector companies are now finally offering competitive services and prices that makes it difficult for a government entity to match with infrastructure updates and dynamic pricing.

The State of Illinois is funding a significant infrastructure improvement that includes roads and bridges which will require significant relocation of DATA facilities, a task that will rapidly deplete the maintenance funds available from CAI annual fees. Every year there are thousands of 8-1-1 "locate tickets" called in for marking our underground fiber path whenever there is an excavation in the vicinity around the DATA fiber. At the same time, there is ongoing maintenance on handholes, re-locating fibers, and general costs associated with the plant. DFO/Syndeo contributes to the maintenance costs, but as CAI fees continue to trend down, the total maintenance cost on an aging network continues to increase.

The backbone network equipment is nearing its end of life and support contracts are becoming very expensive. The customer premises equipment, while still operating, is beyond its depreciated life. Much of the network equipment will need to be replaced soon. With COVID-

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19 causing significant reductions in revenue for the State of Illinois, the State plans to start taxing Ethernet services such as what DATA delivers to CAI's. This would necessitate the County becoming a telecommunications carrier, something that it has neither the ability nor the desire to do.

The County desires to ensure the long-term sustainability of the DATA fiber optic network that ensures cost-competitive services for local public entities and continues to foster economic development and has determined that the best way to accomplish that goal would be to divest of infrastructure and associated liabilities and allow the private sector to better meet the original goals set-forth when a county-wide fiber optic network was first considered.

Ms. Santos reviewed the FY 2021 DATA Budget as well as the proposed Resolution and Agreement with the Committee. The DeKalb County State's Attorney had additionally reviewed the agreement and all changes that they suggested were incorporated to the version the Committee received for review.

There is no monetary value changing hands but the annual and ongoing costs that would be saved by going with the proposed agreement would save the County around \$786,000+.

The proposed agreement between DeKalb County Government and Syndeo Networks, Inc., including all ancillary documents so incorporated, allows for the transfer of assets and liabilities of the County's fiber optic network known as "DATA" and acknowledges (1) the County will continue to enjoy free fiber services via Syndeo Networks, Inc. throughout the anticipated life of the fiber network at current levels of service and with allowances for future growth, and (2) that this agreement only becomes effective and operative upon the approval of the National Oceanic and Atmospheric Administration (NOAA), an agency under the United States Department of Commerce and (3) that should NOAA require changes pertinent to DeKalb County Government to this agreement, the Chair is further authorized to approve those changes with the concurrence of the DeKalb County State's Attorney and the County Administrator.

Mr. Faivre moved to forward the proposed Resolution to the full County Board recommending its approval. Mr. Frieders seconded the motion. Those Members voting yea were Mr. Cummings, Mr. Faivre, Mr. Frieders, Ms. Leifheit, and Chairman Bagby. The motion carried unanimously by roll call vote.

COVID-19 IMPACT ON COUNTY FINANCES

Mr. Stefan reviewed the COVID-19 Grant Listing statuses as of 12/31/2020. He additionally shared that the Total General Fund - Major Dynamic Revenues are under by (\$184,149) or -4%, which is much better than Mr. Stefan thought it was going to be heading into this. The Total of Dynamic Revenues (All Funds) are under by (\$546,515) or -6%.

The FY2021 Budget was reduced conservatively in projections. Mr. Stefan shared that if the numbers stay at this level, which is about 90%, the County will possibly have a little bit of a surplus at the end of the year. Of course, other issues like state income tax, he projects will continue to go down as the unemployment numbers hit. Right now, the budget the County has in place for FY 2021, Mr. Stefan feels good about.

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ADJOURNMENT

Mr. Cummings moved to adjourn the meeting at 7:20 p.m. Mr. Frieders seconded the motion. Those Members voting yea were Mr. Cummings, Mr. Faivre, Mr. Frieders, Ms. Leifheit, and Chairman Bagby. The motion carried unanimously by roll call vote.

Respectfully submitted,

Tim Bagby, Chairman

Tasha Sims, Recording Secretary