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DeKalb County Government
Sycamore, Illinois

**Finance Committee Minutes
April 7, 2021**

The Finance Committee of the DeKalb County Board met virtually via Zoom on Wednesday, April 7, 2021. Chairman Bagby called the meeting to order at 7:00 p.m. Those Members present were Mr. Scott Campbell, Mr. Bill Cummings, Mr. Steve Faivre, Mr. John Frieders, Ms. Dianne Leifheit, Mr. Jim Luebke, and Chairman Tim Bagby. A quorum was established with all seven Members present.

Others present via Zoom included Brian Gregory, Derek Hiland, Jim Scheffers, Becky Springer, Karen Cribben, Kathy Lampkins, and Greg Millburg.

APPROVAL OF THE AGENDA

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

APPROVAL OF THE MINUTES

It was moved by Mr. Cummings and seconded by Mr. Frieders to approve the minutes of the March 3, 2021 Meeting. Those Members voting yea were Mr. Campbell, Mr. Cummings, Mr. Faivre, Mr. Frieders, Ms. Leifheit, Mr. Luebke, and Chairman Bagby. The motion carried unanimously by roll call vote.

PUBLIC COMMENTS

There were no public comments.

AMERICAN RESCUE PLAN ACT OF 2021

County Administrator Brian Gregory shared that on March 11, 2021, President Biden signed the American Rescue Plan Act of 2021 into law. The \$1.9 trillion package, based on President Biden's American Rescue Plan, is intended to combat the COVID-19 pandemic, including the public health and economic impacts. As part of the \$362 billion in federal fiscal recovery aid for state and local governments, \$65.1 billion is provided in direct aid to counties and an additional \$1.5 billion for public land counties. The following are the current allowable uses for Recover Funds:

- Response to or mitigate the public health emergency with respect to the COVID-19 emergency or its negative economic impacts, including assistance to households, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel, and hospitality.
- Provide government services to the extent of reduction in revenue (i.e. online, property or income tax) due to the public health emergency.

- Make necessary investments in water, sewer, or broadband infrastructure.
- State and local governments can transfer the funds to a private nonprofit organization, a public benefit corporation involved in the transportation of passengers or cargo or a special-purpose unit of State or local government.
- Respond to workers performing essential work during the COVID-19 public health emergency by providing premium pay to eligible workers of the county that re performing such essential work, or by providing grants to eligible employers that have eligible workers who perform essential work.

Mr. Gregory provided the Committee with two documents that he referenced in relation to the American Rescue Plan Act. Right now, the uses are limited with lost revenue seemingly being the only internal use available to us. That being said, the funds do not need to be used until December 31, 2024, and if the first round of federal assistance is any indicator, the uses may be expanded. The letter from the National Association of Counties is asking the Treasury to provide more specific guidance that might open additional options.

It was additionally noted that County governments with populations greater than 200,000 are eligible to receive another round of direct funding from Treasury to keep families in stable housing and prevent an eviction crisis during the health emergency. Counties below 200,000 may receive funds through their state government.

Mr. Gregory noted that it appears that the County's Rehab & Nursing Center would fall under an allowable use for the funds. From 2019-2020 there was a 16.1% drop in the DCRNC's census. The first two months of 2021 compared to pre-pandemic, there is already a 34% decrease in census which equals a substantial amount of revenue.

Mr. Gregory's recommendation would be when the County receives this funding it be set aside and wait for further guidance. He also recommended not utilizing any of the funding until the County undergoes the certification process.

As more information becomes available, Mr. Gregory shared that he will keep the Finance Committee updated.

APPROVAL OF REHAB & NURSING CENTER CASHFLOW SUPPORT

As briefly mentioned in the last agenda item, the COVID-19 pandemic has significantly impacted the Nursing Home Industry with less revenues as a result of lower occupancy. The DeKalb County Nursing and Rehab Center has experienced similar revenue reductions due to a continued decrease in occupants during the pandemic. The hope is that the DCRNC may be eligible for assistance through the County's allocation from the American Rescue Plan Act of 2021 but in the event that they are not, the Rehab & Nursing Center Operating Board is requesting internal cashflow assistance, as necessary.

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Mr. Gregory shared that in February of 2019 the DCRNC's census was 181. February of 2021, there are now 110.6 occupants. With the average resident costing about \$250.00 per day, that is a decrease of about \$490,000 difference in revenues.

He presented a draft Resolution to the Committee that would authorize internal borrowing for cashflow purposes in the event that the DeKalb County Nursing and Rehab Center is not eligible for assistance, in the interim during the development of the U.S. Treasury's certification process, or during times the DeKalb County Nursing and Rehab Center needs said cashflow support during the period covered by the American Rescue Plan Act. The internal borrowing shall not exceed Two-Million Dollars and will be repaid at an interest rate equivalent to twenty-five basis points above the Consumer Price Index used in computing the current year property tax extensions under PTELL. Any internal borrowing shall accrue interest from the date the funds are loaned and will need to be repaid within three years.

The Committee discussed the census issues at the Nursing Home along with the possibility of providing the financial support. They additionally talked about agency staff and the number of staff and residents that are vaccinated.

It was questioned if this had been run by the State's Attorney's Office or if there was some type of agreement with more detail that would be attached to the Resolution. Mr. Gregory noted that he could work with the State's Attorney and draft up an agreement if that would make the Committee more comfortable. They agreed and decided that they would be a Special Meeting prior to the Committee of the Whole Meeting next week to review this topic again.

COUNTY ADMINISTRATOR'S FINANCIAL NOTES

Mr. Gregory provided a couple updates and a couple upcoming ideas that will be coming as future Finance Committee Agenda Items.

Late last year the Committee was informed about the Department of Revenue's sales tax claw back as it related to Airline Fuel. There was a large amended return that was done. The number the County was going to see was a little over \$1.2 million that was going to be clawed back. That included County and Municipal Governments. That amendment should have primarily affected state taxes and not County and local government taxes. So, there was an adjustment that has been made. The new figure is about \$1.1 million less (\$120,352.41). That figure has already been pulled from the County's taxes and the claw back/ amendment has been resolved.

There are always questions related to COVID-19 impacts on sales tax and what that looks like. As the Finance Committee is likely aware, there is a lag, so the latest numbers are from December 2020. If one was to look at December of 2020 compared to December of 2019, the County's receipts are down 3.08% and it looks like that is the closest it has been to the prior year since the pandemic, which is a good sign.

As an upcoming item, the Law & Justice Committee has discussed the Courthouse Reconfiguration Project (build-out of the third floor). The project was proposed in 2019 and funds were set aside. The project was paused by the Finance Committee due to the pandemic. There is a new proposed timeline and the topic will be brought to the Committee again in the next month or two for consideration. It was added that the Public Building Commission would be overseeing the project.

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Lastly, Mr. Gregory shared that when he came to the County, he noticed there was no HMO health insurance option for County Employees. After reviewing the figures, he thinks the option would be a good way for the County to save money and they could even provide a cost sharing option with the employee if they chose to go with the option. The County's internal Health Insurance Committee will be reviewing the possible option and Mr. Gregory would bring it back to the Finance Committee at a later date.

CLAIMS REVIEW

The Committee briefly reviewed the claims that were presented for payment since the last review.

EXECUTIVE SESSION

Mr. Cummings moved to enter into Executive Session for the purposes of discussing personnel provided for in 5 ILCS 120/2(c)(1) at 8:13 p.m. Ms. Leifheit seconded the motion and it was carried by a 7-0-0 roll call vote. Those Members voting yea were Mr. Campbell, Mr. Cummings, Mr. Faivre, Mr. Frieders, Ms. Leifheit, Mr. Luebke, Chairman Bagby. None were opposed and no one was absent.

The Committee entered back into their Open Meeting at 8:44 p.m.

ADJOURNMENT

Mr. Cummings moved to adjourn the meeting at 8:44 p.m. Ms. Leifheit seconded the motion. Those Members voting yea were Mr. Campbell, Mr. Cummings, Mr. Faivre, Mr. Frieders, Ms. Leifheit, Mr. Luebke, and Chairman Bagby. The motion carried unanimously by roll call vote.

Respectfully submitted,

Tim Bagby, Chairman

Tasha Sims, Recording Secretary