

*Minutes approved 10.22.24*



## **Finance Committee (Budget)**

James Carius Community Room  
Monday, September 16, 2024 – 3:30 p.m.

Committee Members Present: Chairman Nick Graff, Max Schneider, Bill Atkins, Greg Longfellow, Greg Menold, Tammy Rich-Stimson, Eric Stahl

Committee Members Absent: Sam Goddard, Dave Mingus, Mike Harris, Nancy Proehl, Michael Deppert

Others Attending: Mike Deluhery, County Administrator

**MOTION**     **MOTION BY MEMBER SCHNEIDER, SECOND BY MEMBER ATKINS** to open for review the General Fund.

On voice vote, **MOTION CARRIED UNANIMOUSLY**

**MOTION**     **MOTION BY MEMBER MENOLD, SECOND BY MEMBER ATKINS** to amend the General Fund budget changing line 100-610-5999, the Contingency line in the County Administration budget, from \$1,935,717 to \$1,938,327, increasing the amount by \$2,610.

On voice vote, **MOTION AS AMENDED CARRIED UNANIMOUSLY**

**MOTION**     **MOTION BY MEMBER SCHNEIDER, SECOND BY MEMBER ATKINS** to amend the General Fund budget changing line 100-699-5745, a transfer to the CIP fund, from \$7,781,196 to \$7,807,446, increasing the amount by \$26,250. Chairman Graff stated that this is to cover the cost of the War Memorial monument and the contingency to go along with that project.

Member Schneider stated that we needed a referendum for the record and had to come up with a budget. He stated that they would come up with several options and a location for the monument. He stated that this would be discussed in the executive committee.

On voice vote, **MOTION AS AMENDED CARRIED UNANIMOUSLY**

Chairman Graff stated that the total general fund expenses with contingency after adjustments is \$50,213,928.

On voice vote, **MOTION AS AMENDED CARRIED UNANIMOUSLY**

**MOTION**     **MOTION BY MEMBER LONGFELLOW, SECOND BY MEMBER STAHL** to open for review the County Health budget.

Health Department Administrator Amy Fox stated that in the 501 fund, about \$4,000,000 of the total budget is in there, and most of that is state dollars that start July 1<sup>st</sup>.

**MOTION** **MOTION BY MEMBER MENOLD, SECOND BY MEMBER LONGFELLOW** to adopt the changes to the County Health budget that are listed in the Proposed Budget Adjustments handout.

Chairman Graff stated that the change in revenue is an increase of \$256,261, and the change in expense is an increase of \$131,649.

Member Crawford questioned if there would be any more changes before final budget and Administrator Fox stated that there should not be, however, there is a grant that has not even opened up for funding for the year.

On voice vote, **AMENDMENT CARRIED UNANIMOUSLY**

On voice vote, **MOTION AS AMENDED CARRIED UNANIMOUSLY**

**MOTION** **MOTION BY MEMBER RICH-STIMSON, SECOND BY MEMBER MENOLD** to open for review the Solid Waste budget.

**MOTION** **MOTION BY MEMBER SCHNEIDER, SECOND BY MEMBER RICH-STIMSON** to adopt the changes to the Solid Waste budget that are listed in the Proposed Budget Adjustments handout.

Chairman Graff stated that there are three line items which total a decrease of \$17,151.

On voice vote, **AMENDMENT CARRIED UNANIMOUSLY**

On voice vote, **MOTION AS AMENDED CARRIED UNANIMOUSLY**

**MOTION** **MOTION BY MEMBER ATKINS, SECOND BY MEMBER SCHNEIDER** to open for review the National Opioid Settlement budget.

**MOTION** **MOTION BY MEMBER STAHL, SECOND BY MEMBER ATKINS** to adopt the changes to the National Opioid Settlement budget that are listed in the Proposed Budget Adjustments handout.

Chairman Graff stated that there are seven line items with no change to the bottom line amount.

On voice vote, **AMENDMENT CARRIED UNANIMOUSLY**

On voice vote, **MOTION AS AMENDED CARRIED UNANIMOUSLY**

**MOTION**     **MOTION BY MEMBER LONGFELLOW, SECOND BY MEMBER STAHL** to open for review the Capital Improvement Plan Fund budget.

**MOTION**     **MOTION BY MEMBER MENOLD, SECOND BY MEMBER LONGFELLOW** to adopt the changes to the Capital Improvement Plan Fund budget that are listed in the Proposed Budget Adjustments handout.

Chairman Graff stated that there is an increase in the revenue line in the amount of \$26,250 and an increase in the expense line in the amount of \$26,250.

On voice vote, **AMENDMENT CARRIED UNANIMOUSLY**

On voice vote, **MOTION AS AMENDED CARRIED UNANIMOUSLY**

**MOTION**     **MOTION BY MEMBER LONGFELLOW, SECOND BY MEMBER ATKINS** to open for review the Recorder's Special Document Storage budget.

Chairman Graff stated that this is a special revenue fund, and last year was the first year that it was approved.

Administrator Mike Deluhery stated that the board had approved the recording fees which includes an automation fee and document storage fee. He stated that previously it was an informational fund so it was not approved by the board. He stated that previously, some employee wages were paid out of it, but they have now been moved back to the general fund.

Member Crawford questioned why this fund was ever mislabeled as an informational fund. Administrator Deluhery stated that organizationally it was classified that way but not researched.

On voice vote, **MOTION CARRIED UNANIMOUSLY**

### **Discussion: Tax Levy Ordinance**

Chairman Graff stated that we will be proposing at the final budget at the end of October to adopt the following levies:

- a. County General
- b. Illinois Municipal Retirement Fund
- c. Social Security
- d. County Highway
- e. County Bridge
- f. Matching Tax
- g. County Health
- h. Veteran's Assistance
- i. Persons with Developmental Disabilities

- j. Risk Management/Liability
- k. Tazewell Extension

Member Atkins stated that he is anticipating trying to get PTELL repealed for Tazewell County. He stated that he will most likely vote in favor only because right now, we are a PTELL County.

Member Longfellow questioned if all school districts and every taxing body is signed up for PTELL.

Member Atkins stated that it is his understanding that we choose to become a PTELL county, we bound all governments in Tazewell County. He stated that we can potentially unbind all the governments. He stated that he does not believe we have the ability to pick and choose and say, we are no longer a PTELL county, but Washington and Morton are bound.

Member Rich-Stimson stated that she believes there are loopholes. She stated that when you have a taxing body that has part of their district in a PTELL county and part of their district not in a PTELL county, they are not bound by PTELL laws.

Member Longfellow stated that this is the first year that he has had constituents come to him and complain about our tax levies. He questioned if the decision came from the county board or reassessments.

Member Stahl stated that a lot of the frustration with the taxpayers is that we have held onto so much money for so many years and we just voted on a \$54,000,000 project and are now raising taxes.

Member Crawford questioned the deadline for putting a motion on the ballot for PTELL. Administrator Deluhery stated that he believes it is usually 90-120 before an election but would need to research it.

Member Crawford stated that he believes that one of the reasons PTELL was passed was because there was a history of some taxing districts that could not get enough money.

Member Crawford questioned what the tax levy increase is, and Finance Director Mindy Darcy stated there is a 4.483% increase. Member Crawford stated that, in his opinion, the tax levy increase is too high.

Member Stahl questioned if school boards are a taxing body and affected by PTELL and Chairman Graff confirmed they are.

Member Atkins stated that he believes the vast majority of other governments in Tazewell County and other PTELL counties have regularly raised taxes at about the limit that they are able to. He stated that it is his opinion that we would not

have raised the taxes as much as we did last year if PTELL was not a factor. He stated it was an 11-10 vote.

Member Schneider stated that there are only roughly 35 counties in the state that are governed by PTELL. He stated that over the last probably 15 years, there have been six counties that tried to go PTELL and it was defeated at the ballot box. He stated that it is not a good law. He stated that he does not want to raise taxes and will not support it.

Member Menold stated that he has been directly involved with tax levies for 25 years. He stated that the mindset has been levy the max or lose it forever. He stated that for a long time the increase was between 1%-3%. He stated that he is not against this but believes the public should be educated regarding PTELL.

Member Longfellow questioned if we decided to remove PTELL from our County, would the Washington Community High School levy money or would they referendum to get more money.

Member Atkins stated that he brought PTELL up because for him his vote on the levy is entirely the result of the fact that we have PTELL. He stated that he personally thinks the levies are too high, however, he will probably vote in favor. He stated that he would like to know how much of a spend down we are looking at and the total levy we are looking at.

Administrator Deluhery stated that for the general fund there would be a spend down partly from doing existing building projects. He stated that we have funds that we have set aside that we are moving to the CIP fund to help pay for the projects. There is also the transfer for the Justice Center Annex from the general fund to the capital improvement plan.

Administrator Deluhery stated that without PTELL, there are set rates by statute, for us the general fund is \$.25, we stay below that. He stated that there are some statutory caps for each of the funds. He stated that there are a few funds that are not capped like IMRF and Social Security. He stated that as a governing body needs funds, they would be able to determine if they needed less than the CPI or the PTELL rate, they could do less at 0%. He stated that if they did that for two years and they had a big expense, they could then in the future increase higher than PTELL, higher than 5%. He stated that the justification is you could keep the balance lower, knowing that if something comes up you can increase higher than PTELL at any one given year. He stated it would be on each governing body to determine how much they need. He stated that some of our neighboring counties were 7% and maybe in double digits for tax levies. He stated that statutorily each governing body has different rules on the maximum that they can levy.

Member Atkins questioned if we were to levy at the 4.483%, could we do an abatement and would that still be effectively the 4.483% levy so that we would

still have the flexibility in later years but just lose out on the amount of money for this particular tax levy or is that not something that PTELL would recognize.

Administrator Deluhery stated that would need to be researched.

Chairman Graff stated that the only way be voted the way he did last year was because of PTELL.

Member Crawford stated that he is requesting a communication plan for the Tazewell County taxpayers, explaining to them what we are doing and why we are doing it. He stated we owe that to the citizens of Tazewell County.

Member Hopkins stated that in general the biggest challenge is most people do not know what the county actually does in general.

Member Rich-Stimson recommended a snapshot of the last 10 years of the tax increases.

Administrator Deluhery stated that in 2014, it was 1.5%, 2% range for several years, and 1.4% in 2021. He stated the CPI number that we are using for next year is what the CPI was for last year. He stated there is a delayed effect of when the CPI actually affects our tax levy. He stated that as far as CPI, it is just below 1%, in the last decade and usually it was around 2% or less.

Member Schneider stated that he would like to know if there ever a year when the County did not levy the maximum amount. He stated that thinks you could levy or not based on what you actually need.

Administrator Deluhery stated that it was his understanding that the County did take the full PTELL amount. He stated that there may have been years when they may have just taken CPI and not new construction.

Chairman Graff stated that we are at 3.4%, new construction, and the VAC pushed us up to 4.4%. He stated that we are here as stewards to taxpayers and the County and we could easily cut every referendum and the County would cease to do business. He stated that we are not here to do that, we are here to operate the County at a level that we think is appropriate and tax our citizens at a rate that we think it appropriate. He stated that PTELL had a bad influence on counties and municipalities that were doing their job. In 2021, Tazewell County was the fifth lowest taxing county in the state. He stated that it makes no sense with our population. He stated that it is there because our four fathers and four mothers did an efficient job of running Tazewell County and kept the taxes low compared to other counties. He stated that he has no doubt that we would levy what we need to operate and PTELL keeps us from doing that. He stated in 2017-2018 we were wondering how we would pay salaries because of the low cost of living, we were trying to give raises of 2%-3% and our taxes were capped at 1% or less.

The meeting was recessed at 5:46 p.m.

(transcribed by S. Gullette)