



Finance Committee Meeting – Thursday, May 13, 2021

Third Floor Boardroom, Old Lee County Courthouse - 9:00 a.m.
112 E Second St, Dixon, Illinois 61021

Meeting called to order at 9:00 a.m. by Chair Jim Wentling

Member Roll Call: Chair Jim Wentling, Vice Chair Arlan McClain (9:00-10:30), Doug Farster, Rick Humphrey, Tom Kitson, and Jim Schielein were present in person, Lirim Mimini attended via Zoom video conferencing.

Members absent: None

Board Members, Department Heads, or County Employees present: Bob Olson (County Board Chairman), John Nicholson (Board Vice Chairman)(9:28-11:24), Mike Koppien, Danielle Allen (10:45-11:24)(Board Members), Charley Boonstra (State's Attorney), Nancy Petersen (County Clerk), Paula Meyer (Treasurer), Wendy Ryerson (Assessor), Amy Johnson (Circuit Clerk), Sara Leisner (Office Manager and Victim Witness Coordinator in the State's Attorney's Office), Patty Rudolphi (Financial Compliance Officer in the State's Attorney's Office), Dee Duffy (Zoning Administrator), Greg Saunders (Maintenance Supervisor), Kevin Lalley (EMA), Paul Gorski (IT Administrator), Jonathan Henrikson (IT Intern), and Becky Brenner (Board Secretary) were all present in person, Marilyn Shippert (Board Member), Staci Stewart (Probation), Greg Gates (LOTS), and John Simonton (Sheriff), all attended the meeting via Zoom video conferencing.

Visitors: Matt Schueler and John Faivre were present from Wipfli to present the FY 2020 Budget findings to the committee. Courtney Kennedy and Chris Henkel were present on behalf of Algonquin Power Co. d/b/a Liberty Power Shady Oaks 2 Wind Farm in Lee County.

The April 2021 minutes of the Finance Committee were approved without modification.

Paula Meyer provided the committee with the latest County financial statements and was present to answer any questions the committee might have.

No GREDCO report for March.

Insurance Report: Jim Schielein reported that the Insurance Committee met on April 15th at 2:00 p.m. Cindy Zichal walked the committee through Gallagher's history, purpose, and insurance structure along with the IPBC update. Lori Miller gave a Wellness Committee update and explained that the Wellness Committee will receive an additional \$64,000 once all the paperwork is completed. These funds are used strictly for employee expenditures. Jim also reported that the County's dental plan will be changing from MetLife to Delta Dental July 1st and that there will be an 2.6% increase in insurance premiums upon renewal. The committee will meet again on July 13, 2021, at 9:00 a.m.

Board Member or Department Head Reports:

Marilyn Shippert attended the CIRMA meeting in Bloomington on April 22nd and learned that the County needed to meet certain requirements to be insured next year for cyber security. Marilyn stated that she had provided the necessary requirements to IT Director Paul Gorski and was told that meeting the requirements would cost the County roughly \$100,000. She mentioned the matter because she was surprised it was not on the agenda. Paul explained to the committee that it was his intention to address the matter with the full County Board during an Executive Session at May's County Board meeting.

Staci Stewart reported that her office had met with their legislative representative for the Illinois Probation and Court Services throughout the state. He had indicated that a flat budget was presented and favorably received. She is hoping that they will be able to go into the next year with a flat budget and 100% reimbursement.

Old Business - None

New Business

Matt Schueler and John Faivre from Wipfli walked the committee through the FY 2020 audit report and federal awards. Matt reported that there were no findings on the ETSB audit. There was an unmodified opinion on the financial statements for the Circuit Clerk audit. One fee being charged was pulling from the 2019 fees instead of the 2020 fees. The finding was minor and was corrected. The County expended nearly \$13.3 million dollars in federal awards in 2020 compared to \$3.1 million dollars in 2019. Overall, \$8.5 million dollars in COVID related grants were received in 2020. These funds were tested because they were new. There was an internal control finding for LOTS relating to how they were receiving their cash receipts. As a result of the finding, the County has put new internal control procedures in place for the collection of cash along with additional reconciliation. Matt explained what an audit was and how an audit is conducted. He reported that the County's financial statements were presented fairly in all material aspects and in accordance with general accepted accounting principles and no new standards were adopted in the current year.

Courtney Kennedy and Chris Henkel were present on behalf of Algonquin Power Company d/b/a Liberty Power regarding the Shady Oaks 2 Wind Farm (108 megawatts) in Lee County, Wyoming and Brooklyn Townships. Courtney explained that in early spring of 2020, Liberty Power filed a petitioned for a special use permit, went through the ZBA hearings and the project was approved by the County Board. The company is currently working with the Zoning Office for the building permit application. This brought them to committee to discuss the financial assurance of the decommissioning plan. Courtney went on to explain that there are two mechanisms that govern the financial assurance requirements for a decommissioning plan. The first is the wind ordinance and the conditions set by the County. The ordinance and conditions require financial security to be collected by the County over the first 15 years of operation for the project. The County takes the total estimated cost to decommission the wind farm and divides that cost by the 15 years to get an annual amount required by the company. The second mechanism is known as the AIMA (Agricultural Impact Mitigation Agreement) which is a contract between the State of Illinois and the developer that regulates various aspects of the wind farm. The AIMA defines financial assurance to be a reclamation or surety bond or other commercially available financial assurance that is acceptable to the County with the County or landowner as the named beneficiary. The AIMA requires the financial assurance to be collected over an 11-year period and requires that 10% of the estimated cost of decommissioning is due on or before the 1st anniversary of the commercial operation date, 50% due on or before the 6th anniversary of the commercial operation date, and 100% due on or before the 11th anniversary of the commercial operation date. Liberty Power is requesting that the County accept a letter of credit as financial assurance in lieu of an escrow account to fund the decommissioning plan using the same conditions that were given to Green River Wind Farm in 2019. The conditions being requested are as follows: Letter of credit as acceptable financial assurance; phased in over an eight (8) year period with 50% due on or before the 1st anniversary of commercial operation date and 100% due on or before the 8th anniversary of commercial operation date; an imposed Administration Fee in the amount of \$55 per megawatt annually; \$40,000 per turbine; any financial institution chosen for the financial assurance for the line of credit shall be a US domestic bank as defined by 31 CFR Section 515.320 and a financial institution approved by the Lee County Zoning Administrator; and 90 day notice of termination of the existing line of credit and or any changes in principal ownership of the LLC.

The committee discussed the security of a letter of credit after Courtney Kennedy's explanation and requests and motioned as follows.

Motion by Tom Kitson: To accept the request for a letter of credit in lieu of an escrow account for the Shady Oaks 2 Wind Farm decommissioning.

Second by Jim Schielein. Motion carried unanimously by voice vote.

Wendy Ryerson reported to the committee that there were 2 (*two*) key changes in the Assessment Office following the submission and approval of the 2021 budget. The *first* change was the restructuring of the IT/GIS Department with the GIS Department placed under the supervision of the Assessor. GIS has an employee from the former IT/GIS Department (Senior GIS Analyst) and an employee working in the Assessment Office (GIS Specialist). The *second* change is the addition of several township jurisdictions that will be contracting with the Assessment Office to perform township assessment work. Wendy's recommended proposals to the committee, considering the changes, were **1)** to amend the FY 2021 budget to accurately reflect the GIS revenue/expenses in the GIS Fund. This would mean reallocating the salary and related expenses to the GIS Fund (including hardware/software expenses) from County General for the Assessment Office employee (GIS Specialist). **2)** Hire an additional employee in the Assessment Office to respond to the additional township workload. **3)** Review the GIS Fund Balance and Recording Fees (not reviewed or increased since 2007). Wendy prepared and distributed

to the committee a Cost Analysis (required by State Statute) and walked them through her recommended fee changes. She also explained what the financial impact to the County General fund would look like with the proposed recommendations. **1)** In the Assessment Office **a)** in (FY 2022) there would be an additional revenue of \$16,000 from the additional township jurisdictions. **b)** \$58,000 would be reallocated from the County General Fund to the GIS Fund. **c)** the estimated salary with related costs for the new employee in the Assessment Office would be roughly \$33,000 (FY 2021) **d)** Net impact to the County General Fund would be a positive \$41,000. **2)** The financial impact on the GIS Fund is spelled out in detail in the GIS Fund Cost Study that will be included in the May County Board agenda packet. Wendy asked the committee to consider *3 Board policy decisions* **a)** Reallocate all or part of GIS expenses to the GIS Fund **b)** Increase GIS Recording Fee per GIS Cost Study **c)** Approve Assessment Office new hire.

Following a time of questions and discussion.

Motion by Tom Kitson: To send the GIS Recording Fee Proposed Increase items on the agenda to the Executive Committee.

Second by Jim Schielein. Motion carried unanimously by voice vote.

Motion by Tom Kitson: To proceed with a new hire in the Assessment Office for the additional townships with a start date of August 1, 2021 and send to the Executive Committee.

Second by Jim Schielein. Motion carried. 4 yes votes, 2 no votes.

John Nicholson explained that the March County Board meeting had to be cancelled because of a staffing shortage due to Covid. Because the tuck-pointing contract was not approved in the March meeting, a clause in the tuck-pointing contract dictated that an additional \$10,000 needed to be paid because the approved start date was not met.

Motion by Lirim Mimini: To approve the additional \$10,000 for the tuck-pointing project.

Second by Doug Farster. Motion carried unanimously by voice vote.

John Simonton explained that he was in the process of having Engel Electric give him an estimate on what it would cost to install a card reader access system in the Old Courthouse to enhance security. The American Rescue Plan could be a potential funding source. Greg Saunders expressed his concerns with the age of the existing system and the lack of availability of replacement parts. Paul Gorski expressed his desire for a new system so equipment would be more secure and access to building during off hours would be easier.

Paul Gorski expressed his desire to make IT Intern Jonathan Henrikson a full-time employee. He currently works 29 hours a week for the County. All of Jonathan's wages are paid by BEST, Inc. through a workforce initiative program. The term of the workforce initiative program is coming to an end, so the County has the option of hiring and paying him full-time, then being reimbursed by BEST, Inc. for up to 75% of his wages for an additional six (6) months.

Motion by Tom Kitson: To move to Executive Committee, hiring Jonathan Henrikson full-time for 40 per week.

Second by Doug Farster. Motion carried unanimously by voice vote.

Jim Wentling explained that the proposal for auditing services for the County had been mailed and proposals were to be submitted by June 8, 2021, by 3:00 p.m. Proposals will be discussed at June's Finance Committee meeting and forwarded to the County Board for approval.

Greg Saunders explained that the new control system for the old roof top units at the New Courts Building were installed. Unfortunately, additional upgrades for the system are now required because of software compatibility issues.

Motion by Jim Schielein: To approve the additional upgrades for the control system at the New Courts Building for \$5,050.00, paid from the Capital Fund.

Second by Tom Kitson. Motion carried unanimously by voice vote.

The litigation invoice item on the agenda was pushed to Executive Session.

Jim Wentling explained that the County has a temporary agreement with the FOP. Hopefully, the contract will be ready for County Board on May 20th.

Jim Wentling explained that due to COVID-19 the County would be receiving over \$6.6 million dollars in funding from the Federal Government through the American Rescue Plan Act (ARPA). The County applied to receive these funds, and all the necessary requirements have been met including the assignment of a contact person.

Sara Leisner has agreed to be the grant coordinator for this project, and she will be assisted by Patty Rudolphi. They would research the provisions of the act and handle all the necessary reporting to the Federal Government. Jim reported that ARPA made provisions in the act for administrative costs. The committee suggested paying a flat fee stipend of \$10,000 to Sara and \$5,000.00 to Patty for the first six (6) months and then the amount will be reassessed after that based on the additional responsibilities. An ARPA Planning Committee has been established to identify and prioritize projects for the funds. This committee includes Board Members Jim Wentling, John Nicholson, and Chris Norberg, and Department Heads, John Simonton, Dave Anderson, Kevin Lalley, Sarah Leisner, and Charley Boonstra. Bob Olson explained that the ARPA Planning Committee will sort through request made for funds and prioritize them and pass them along to the Finance Committee. He asked that any request for funds be submitted with a narrative so Sara can research the request and make sure it fits within the scope of the grant. The County is very much in the beginning stages of understanding where and how the funds can be allocated.

Motion by Jim Schielein: To pay a flat fee stipend of \$10,000 to Sara Leisner and \$5,000 to Patty Rudolphi for administrative and procedural duties related to ARPA, to be reassessed in six (6) months.

Second by Arlan McClain. Motion carried unanimously by voice vote.

Sara Leisner introduced herself and Patty Rudolphi to the committee. She explained that she is making her way through the 151-page document that explains what is eligible, what is ineligible, what is required for reporting, data collections, and how the process works. Once she has made her way through the information, she will submit a report to Bob Olson, Jim Wentling, and Department Heads so they have a guideline for the projects they are looking at. Sara explained that Patty will handle the financial role. With federal grants you must keep the administrative reporting separate from the financial portion. They will work collectively to determine eligibility requirements and cross checking.

Paul Gorski reminded the committee that ARPA funds are one time money so the committee will have to plan for the cost of doing business going forward.

Executive Session

Motion from Doug Farster: To enter Executive Session at 11:04 a.m. for the purpose of discussing 5 ILCS 120/2 (c)(11) litigation.

Second by Rick Humphrey.

Roll call vote: Chair Jim Wentling, Doug Farster, Rick Humphrey, Tom Kitson, and Jim Schielein were all present in person.

Also present: Bob Olson, Mike Koppien, John Nicholson, Danielle Allen, Charley Boonstra, and Becky Brenner were present in person, Marilyn Shippert attended via Zoom video conferencing.

Meeting started at 11:09 a.m. after a short break.

Roll call vote back in open session: Chair Jim Wentling, Doug Farster, Rick Humphrey, Tom Kitson, and Jim Schielein were all present in person.

Also present: Bob Olson, Mike Koppien, John Nicholson, Danielle Allen, Charley Boonstra, and Becky Brenner were present in person, Marilyn Shippert attended via Zoom video conferencing.

Back in open session at 11:22 p.m.

Motion by Rick Humphrey: To pay the outstanding litigation invoices out of the Tort Fund.

Second by Doug Farster. Motion carried unanimously by voice vote.

Motion to adjourn by Jim Schielein:

Second by Rick Humphrey. Motion carried unanimously by voice vote.

Meeting adjourned at 11:24 a.m.

Respectfully Submitted by,
Becky Brenner – Lee County Board Secretary

The next scheduled Finance Committee meeting will be 9:00 a.m. on Thursday, June 10, 2021