

Montgomery County Board

Finance Committee Meeting Minutes

Date: Monday, June 3rd, 2013

Time: 8:00 AM – County Board Room

Members Present: Chairman Joe Gasparich, Mike Plunkett, Mary Bathurst, Connie Beck, Megan Beeler, Bonnie Branum and Board Chairman Roy Hertel

Others Present: Holly Lemons, Dale Smith from Tom Day Business Machines, Ron Jenkins, County Clerk Sandy Leitheiser, SOA Ray Durston, Vicky Murphy, Mary Purcell, Rick Scheibal and Whitney Stowmeyer from Joe Meyer and Associates.

The committee met today to discuss the following:

1. **Update/Approval County's Delinquent Tax Liquidation Program:** Rick Scheibal from Joe Meyer and Associates stated that their job is to get the delinquent property taxes redeemed or to take the properties to tax deed and then sell them to someone who will pay the real estate taxes. Leitheiser stated that if any parcel is not bid on at the tax sale, by default it is awarded to the County Trustee. The property tax owner then has about 2.5 years to pay (redeem) the taxes before the property is sold. Scheibal stated that they have to follow state laws on the mandated processes to notify delinquent property tax owners. Once the first notices go out, there is about a 4.5 month process to do all the steps properly. There are certified mailings at the beginning and at the 1 year mark a letter is sent by regular mail to the property owner. Towards the end of the time period, a notice is sent by certified mail, Sheriff's personal service is completed, and these properties are published in the newspaper. Once all notifications are done, then it goes to Court and a Judge will order the deed to be issued to the County Clerk. Meyer and Associates will then go out and photograph the properties and put them up for auction via a sealed bid auction. The delinquent tax program relieves the County of the work and expense to get delinquent properties sold. There are some properties that don't get a bid, and they will go in the catalog each year. Joe Meyer and Associates also sends information to property owners adjacent to these delinquent properties to see if there is any interest expressed by a neighbor to purchase property next to them. Scheibal also stated that usually the taxes on properties with any value are sold to private tax buyers for investments. Some properties are in bankruptcy and will take a year or two work out. Leitheiser inquired about properties like the Deer Creek condominium lots. Treasurer Jenkins stated that some are individual tax bills because the owner has signed agreements with the property owner that they can't get out of, and the liability falls to the County or the agent. Plunkett asked who is responsible to clean up the property such as an old gas station with underground gas tanks. Scheibal stated that are provisions in the law where the term owner or operator is not necessarily the owner liable for the property, for example the County would not be liable for the cleanup due of underground gas tanks because we acquired the property due to a tax sale. Jenkins asked that this be put in writing that the County would not be liable for an old gas station clean up. Meyer representative Whitney Stowmeyer stated that they work for the best interest of the County and the taxing bodies and gave an example of properties in Springfield where the City of Springfield wanted the County to deed over parcels to the City for them to clean up, but Meyer requested that the other taxing districts agree to this process before doing so. Leitheiser asked the Meyer representatives to share their philosophy with the Committee regarding when a municipality wants to purchase the delinquent property. Scheibal stated that Meyer and Associates will work with the County to get intergovernmental agreements in place when the County wants to deed a property over to a municipality and stated that usually there are expenses involved with this acquisition. Meyer and Associates also will work for the best interest of the taxing districts. Scheibal stated that Meyer and Associates serve 93 out of the 102 Counties in the State of Illinois and that Joe Meyer has owned the business since 1974. Treasurer Jenkins stated that he has to automate this year's tax sale or have it

videotaped because the law has changed which requires it now. Joe Meyer and Associates will be working with Treasurer Jenkins's Office today with the new automation process.

2. **Update/Approval Copy Machines Survey:** Dale Smith from Tom Day Business Machines was present to talk about the reported he presented last month on what he would charge for each department's copy machine contracts. Joe Gasparich stated that there were some discrepancies when looking at all the County copy machine contracts. Dale Smith reported that he worked with Treasurer Jenkins to put together the report on all the copy machine contract information and he came up with a number to save about \$3,000 per year. Chairman Hertel stated that he reviewed a very simple contract for Treasurer Jenkins' Office and he asked if this could be for every office. The committee would like to use an overall number of copies for all the county offices times a low rate. Dale Smith stated that there are some copy machines with low volumes and they have a higher per copy rate so they can make some money. The committee wondered why we have some service agreements on fax machines because they are cheap to purchase. Gasparich stated that there are some copy machines in this County that are underutilized and wondered if some costs could be saved by combining larger copy machines that are faster and more efficient. Dale Smith reported that years ago, Tom Day had negotiated different maintenance agreements with different offices. Treasurer Jenkins stated that he has a color copier in his office and had to send an employee to it to pick up a copy for him and questioned where the savings would be in time and functionality if the employees are walking to copiers. It costs money for employees to get up and get copies. Roy Hertel stated that the Elected Offices run their own offices and make the decisions for their copy machines. Dale Smith asked the committee that if he sharpened the pencil, will the Elected Offices stay with his business. Gasparich stated that the Office Holders will be willing to work with Tom Day Business machines because everyone likes the services. Gasparich also stated we need to look at faster more efficient copies. County Clerk Leitheiser asked if there is a cost per copy goal that we need to meet. Gasparich asked if we can standardize the billing process to cut down on some vouchers. Dale Smith reported that they have new software that will allow them to work on the billing process. Gasparich asked if Dale Smith could look at faster more efficient machines but we are not trying to have offices change the way they do business.
3. **Update/Approval SOA Report:** Ray Durston reported that the Board of Review received an appeal for 2011 payable 2012 for the former Heritage Nursing home located on Route 16 in Litchfield. Durston stated that he contacted Gene Stuard from the Forrestal Group and should have a recommendation by next month to see if we should pursue this substantial refund of about \$50,000. The property has been sold to Later Rain Ministries and will probably be tax exempt anyway. Durston also reported that farm land certified values is generally up about 10% and that legislation has not changed for farm ground values. Durston has contacted Assistant States Attorney Betsy Wilson on the intergovernmental agreement for assessment work for township or multi township districts that have no assessor.
4. **Update/Approval GIS Report:** The committee reviewed Purcells's written report.
5. **Update/Approval Agreement to Loan out the GPS and Laptop Unit:** Mary Purcell reported that Assistant Betsy Wilson has approved an agreement for the temporary use of the Montgomery County's Mapping Equipment. The City of Litchfield Fire Department has asked to use it to map out their fire hydrants. Plunkett stated that the data that is collected needs to come to the County and if they break the device they must fix it and Purcell replied that it does state that in the agreement. Purcell also stated that if they collect points during a day, it has to be down loaded to the lap top that day or the data is lost. They have to bring back the equipment weekly to get the info put on the map. Plunkett also stated that this GPS equipment was purchased from Purcell after she started employment with the County and this is a good option to loan out the equipment to get data files for our GIS. Litchfield is the only municipality that has the ARC mapping system on. **Motion by Mike Plunkett and second Mary**

Bathurst to recommend the approval of the Agreement for Temporary Use of the Montgomery County's Mapping Equipment to the full board. All in Favor, motion carried.

- 6. Update/Approval Monthly Coal Revenue Report and Revenue, Expense & Bank Balance Report:** The committee reviewed the reports prepared by Treasurer Jenkins. Jenkins reported that we just loaned money to the IMRF fund. The tax bills should be mailed on June 18th. Money should start coming in right away. Beeler stated that we need to think about investing some of the coal money for future generations. Hertel asked if we could get a higher interest rate on a Certificate of Deposit of \$1 million for a year. Jenkins stated that we might get .6% which right now we are now just getting .5%. Bankers have stated that the interest rates are not going to get any better. Jenkins reported that has still been getting bids for interest rates weekly and that there are no CD's at this time. Gasparich asked if the coal money could be moved with a provision that the money will be paid back when taxes are collected. The committee discussed that the full board needs to know that Treasurer Jenkins needs to do his job and move some money to pay bills until real estate tax money is received. Right now there is \$850,000 loan out. IMRF, Social Security, and Workers Compensation funds have borrowed money. Plunkett stated that the board needs to make a motion at the next meeting that Treasurer Jenkins should be able to use coal money to pay day to day bills if needed until real estate tax money is received. The committee agreed.
- 7. Update/Approval FY2014 Budget Information & Schedule:** The budget hearings will be held on Monday, Tuesday and Wednesday, July 15th, 16th, and 17th, 2013. Finance committee members will be getting with some department heads and reviewing their budgets.
- 8. Update/Approval Cell Phones Survey:** Megan Beeler reported that she has called the AT & T several times regarding the new government billing and finally received an email stating that they are in the process of getting the invoices combined into one account. This should be the last billing where each office is getting a bill to pay.
- 9. Update/Approval Central Purchasing Program:** Committee discussed looking into a centralized purchasing system for Office supplies. Hertel stated that in Macoupin County, Gabe Springer is the contact person to purchase supplies and that the committee needs to check with other counties to see if this is working and saving them money.
- 10. Update/Approval ROE Quarterly Report & Spring Newsletter:** The committee reviewed the ROE Quarterly Report and their Spring Newsletter. **Motion by Mary Bathurst and second by Connie Beck to recommend the approval of the ROE Quarterly Report and Newsletter to the Full Board. All in favor, motion carried.**
- 11. Update/Approval Closed Session – For the purposes of discussing Personnel and salaries:** Motion by Bonnie Branum, second by Megan Beeler. To go into executive session to discuss Personnel Issues and salaries. All in favor, motion carried. Time 9:44 am.

Motion by Connie Beck, second by Mary Bathurst to come out of executive session. All in favor, motion carried. Time 10:33.

Chairman Gasparich stated that no action will be taken as a result of the Executive Session.

Motion to pay the bills by Mike Plunkett and second by Bonnie Branum. All in favor, motion carried.
Motion to adjourn by Bonnie Branum and second by Megan Beeler. All in favor, motion carried.

Time: 10:55 pm. The summaries of minutes were respectfully submitted by acting secretary Chris Daniels, as Deputized by Montgomery County Clerk/Recorder Sandy Leitheiser.

Draft