

STATEMENT TO THE BOARD

Informational items; no action requested:

Recent activities:

1. I have been your Champaign County Treasurer for a little more than one month. After addressing immediate personnel issues, I reviewed the county's banking relationships, established my signature authority and, among other challenges, identified dormant accounts. I have also been occupied with learning the County's AS400 accounting system which is limited and does not provide the facilities so that one can work quickly and efficiently in bank reconciliations. I have been working with the people in charge of managing the system, requiring special reports to restructure our processes. My staff and I are presently working on the bank reconciliations for March 2020. I am reviewing our operations to determine if there is a way to be more productive, especially due to the fact there have been no reconciliations performed since January 2019 in the majority of the bank accounts. Furthermore, the reconciliations prepared for January 2019 through December 2019 by an outside auditor (Clifton Larson Allen) need to be redone in order to ensure accuracy. We have made a priority the RPC bank reconciliations since the grantors are asking to know how the money was managed.

My responsibility as the County Treasurer/Tax Collector is to verify that the taxpayers seeking some form of tax relief meet the requirement of State Statute 35 ILCS 200/21-40 (c)(1)(A)(B)

c) (1) The governing authority of any county that has been designated, in whole or in part, as a disaster area by the President of the United States or the Governor of the State of Illinois may adopt an ordinance or resolution modifying the provisions of this Act relating to any specified installment or installments of real property tax or special assessment on real property that is situated within the designated disaster area and that is determined, in the manner provided in the ordinance or resolution, to be substantially damaged or adversely affected as a result of that disaster.

The ordinance or resolution may:

(A) postpone the date on which any specified installment or installments of tax due on that real property in the current year becomes or became delinquent under Section 21-15, 21-20, or 21-25;

(B) exempt any specified installment or installments of tax due on that real property from the interest penalty provided under Section 21-15, 21-20, or 21-25 until the postponed delinquency date established by the ordinance or resolution;

and 35 ILCS 515/9.3.

Sec. 9.3. Ordinances for delay of penalties and sale following disaster.

(a) Beginning in tax year 2011, the county board of a county that has been designated in whole or in part as a disaster area by the President of the United States or the Governor of the State may adopt an ordinance or resolution providing that penalties to be assessed under Section 9 against a Taxpayer either in the calendar year of the disaster or the preceding year shall not accrue until a court enters the order for sale of the property, provided that the Taxpayer's mobile home was substantially damaged or adversely affected by the disaster and located in one or more townships (or congressional townships if the assessor's books are organized by congressional townships) deemed by the Board to have been affected by the disaster. The ordinance or resolution shall provide that a person may pay delinquent taxes on an affected mobile home without penalty being assessed until the last working day before the court enters the order for sale of the property.

In parallel to this verification process, I can report that my office is preparing to send the first installment by end of April, since we have already collected \$6.2 million of advance real estate taxes.

The Finance Committee considered discussing tax relief for this tax cycle, and they decided not to discuss this matter at the April 23rd Board meeting.

However, I propose the following to the Board based on the statutes cited above:

- Keep the 1st installment due date of June 1
- Postpone the 2nd installment due date of September 1 for 60 days, so that it is changed to November 1st.

We will NOT be changing any language on the tax bills scheduled to be mailed at the end of April. I do want the Board to have on record my proposal, however.

This proposal is based on the statutes 35 ILCS 200/21-40 and 35 ILCS 515/9.3. The statutes allow the Treasurer and the Board Members to create a resolution to provide taxpayers experiencing hardship following natural disaster in several ways. Postponing installment due dates in the current year in which taxpayers become or became delinquent is one example. And, keeping the 1st installment due date of June 1 allows for a continuation of cash flow for the County. Postponing the second installment until November 1 reduces the number of delinquent taxpayers for the county.

My actions requested:

I would like the Board to share my proposal (item above) with the public at the April 23 meeting and add my proposal to the May Board meeting agenda.

Respectfully submitted.

Marisol Hughes Champaign County Treasurer
April 23, 2020