

TO THE HONORABLE COUNTY BOARD)
)
COUNTY OF UNION ILLINOIS)

Your Treasurer does hereby recommend passage of the following Resolution:

RESOLUTION

WHEREAS, the County Board of Union County, Illinois, has the authority to create and operate a Delinquent Tax Liquidation Program pursuant to Section 21-90 of the Property Tax Code of 1993 and pursuant to Section 35 of the Mobile Home Local Services Tax Enforcement Act; and

WHEREAS, this program would further the specific goals of seeking to recover delinquent real estate and mobile home local services taxes for the benefit of all taxing districts upon those parcels of real estate and mobile homes which would otherwise be forfeited to the State of Illinois, and promoting the return of these properties and mobile homes to taxpaying status through the expeditious transfer of ownership thereof; and

WHEREAS, the Treasurer has contacted Joseph E. Meyer for the purpose of entering into an agreement which would appoint Mr. Meyer as the Tax Agent of the County of Union for operation of the County's Delinquent Tax Liquidation Program; and

WHEREAS, Mr. Meyer has submitted a proposed form of "PROFESSIONAL SERVICE AGREEMENT" for such Program, which would authorize Mr. Meyer to secure redemptions, prepare all notices for mailing, file petitions, prepare applications and orders for deeds and tax certificates of title, prepare all necessary writs, locate parties of interest, inspect tax-delinquent properties and mobile homes, and fulfill all other statutory procedures necessary for the County to obtain tax deeds for parcels of real property and tax certificates of title for mobile homes and to offer such parcels and mobile homes at public auction sale, and such proposed form of agreement will be reviewed by the Office of the Union County State's Attorney; and

WHEREAS, in return for services performed pursuant to such agreement, the Tax Agent would be compensated as follows:

- a) In cases of redemptions and assignments of tax certificates, the Tax Agent shall receive all penalties and interest accruing upon the certificates of purchase after the date of sale; and
- b) In cases in which the County has obtained a tax deed or certificate of title, and upon conveyance of the property or mobile home to a new owner, the Tax Agent shall receive a minimum of Four Hundred Fifty Dollars (\$450.00) or 25% of the purchase price, whichever is greater, unless the sales price of any piece of property or mobile home is \$450.00 or less, in which event the Agent shall receive the full sales price as compensation and no additional fee shall be due upon that property or mobile home; and

WHEREAS, the County Board finds that it would be advantageous for the County of Union to enter into the proposed "PROFESSIONAL SERVICE AGREEMENT" with the said Joseph E. Meyer, appointing him as the Tax Agent to act on behalf of the County of Union in the operation of the County's Delinquent Tax Liquidation Program;

NOW THEREFORE BE IT RESOLVED that the Chairman of the Union County Board is hereby authorized and directed to enter into and to subscribe such proposed "PROFESSIONAL SERVICE AGREEMENT" on behalf of the County of Union and the said Joseph E. Meyer, appointing him as the Tax Agent for the County of Union in order to operate the County's Delinquent Tax Liquidation Program, and

BE IT FURTHER RESOLVED, that the said agreement to be entered into between the County and the said Joseph E. Meyer shall incorporate the provisions hereof and shall be in a form which is approved by the Office of the Union County State's Attorney.

DONE IN OPEN MEETING THIS 4th DAY OF March, 2011.

COUNTY BOARD OF UNION COUNTY, ILLINOIS

(SEAL)

By: Russell Lumb

ATTEST: Bobby J. Tolson
Union County Clerk

PROFESSIONAL SERVICE AGREEMENT

This Agreement entered into by and between the County Board of Union County, Illinois, in its capacity as Trustee for taxing districts pursuant to the authority of 35 ILCS 200/21-90 and 35 ILCS 516/35, hereinafter referred to as "County", in accordance with Resolution duly and regularly adopted, and Joseph E. Meyer, hereinafter referred to as "Agent";

WITNESSETH:

WHEREAS the County Board deems the best interests of County and the taxing districts therein to be served through the creation of a Delinquent Tax Liquidation Program for the attainment of the following specific goals of County and its several taxing districts, to-wit:

- (1) To recover delinquent real estate and mobile home local services taxes for the benefit of all taxing districts within the County; and
- (2) To restore tax delinquent property to tax paying status; and

WHEREAS Agent desires to provide, and County desires to obtain, the knowledge, skills and experience of Agent in the establishment and operation of such a Delinquent Tax Liquidation Program for County and its taxing districts;

NOW THEREFORE, in consideration of the joint and several promises and benefits hereinafter set forth, the parties hereto agree as follows:

1. Appointment Of Agent And Overview Of Services To Be Provided:

A. The parties agree that Agent is hereby appointed the agent of County pursuant to the provisions of 35 ILCS 200/21-90 and 35 ILCS 516/35, and that Agent shall establish and administer the County Delinquent Tax Liquidation Program, hereinafter referred to as the "Program"), for the benefit of County and its taxing districts, and as its agent shall exercise the rights provided to County by statute for the purpose of securing redemptions and liquidations of the tax delinquent real estate and mobile homes (hereinafter collectively referred to as "property" and "properties") situated within Union County, Illinois, and in conjunction therewith Agent shall provide the following services and exercise the following powers for and on behalf of County:

- 1) Represent County (in its capacity as Trustee for its taxing districts) at all Annual Tax Sales conducted hereafter and bid thereon the maximum amount permitted by law on all tax delinquent properties in the absence of other bidders;
- 2) Cause and supervise the preparation and service of all notices required by law;
- 3) Cause the preparation and filing by his staff attorney of all required petitions, applications and orders for tax deeds and tax certificates of title;
- 4) Cause and supervise the conduct of all required research concerning the identity and location of parties of interest;
- 5) Cause and supervise the inspection of properties as required in both the acquisition and disposition thereof;
- 6) Cause and supervise the fulfillment of all other requirements of law in obtaining tax deeds and tax certificates of title in favor of County as to tax delinquent properties within the county; and
- 7) Manage and subsequently liquidate properties so acquired; and
- 8) In those cases deemed appropriate by Agent, institute and maintain collection proceedings in Circuit Court against persons and entities liable by law for the payment of delinquent real estate and mobile home local services taxes.

B. Agent shall diligently pursue a continuous process of collection of delinquent taxes in the name of the County, and, subject to the direction of County, may employ the use of extensions of periods of redemption and the filing of petitions for tax deeds and mobile home tax certificates of title as Agent may deem necessary.

C. Agent shall, at all times, provide the services of his staff attorney with respect to the conduct and operation of the

Program, and all matters requiring the assistance of counsel shall be referred to such attorney, or, if appropriate, shall be performed under his supervision and control. Further, such attorney shall agree to act as an Assistant State's Attorney, should the County desire, for representation of the County's interests under the Program or with respect to any property administered there under.

D. The Agent will take all steps necessary to manage and operate the property to which title is taken in the name of the County, As Trustee, and may post property with signage supplied by Agent notifying the public of the availability thereof for sale.

E. Agent shall conduct a public oral or sealed bid auction sale of all property to which title has been taken in the name of County, as Trustee, and as to which potential purchasers have expressed interest. Agent shall answer all inquiries relating to such properties, and diligently pursue all reasonable efforts to procure the rapid disposition of property at auction sale. Agent shall, at Agent's expense, and prepare, furnish and distribute auction sale catalogs, and shall receive the proceeds of sale thereof. In cases of oral auction sales, Agent will conduct such auction sale at a location selected and provided by the County, and Agent will obtain a qualified auctioneer to call the sale. All proceeds of auction sales shall be deposited into the escrow account hereinafter described, and Agent will attend to the processing of all proceeds and sales documentation resulting from auction sales. After each auction sale, Agent shall obtain all information and perform all other incidental acts necessary for transfer of each property to its auction sale purchaser.

F. Agent shall fully inform the County as to the operation of the Program, and shall cooperate in establishing minimum prices, rules of sales and general principals of accountability.

G. Agent and his legal staff shall assist the State's Attorney in pursuing marketable title to parcels of real property acquired through the Program that prove otherwise unmarketable. All required legal actions will be pursued in the name of the County, as Trustee, and any summons or other papers which may not legally be served by Agent or his personnel will be served by the Office of the Sheriff of the County. The expense of any such legal action concerning the validity of the County's title will be paid from the proceeds of the Program unless the action is made necessary by intentional misconduct on the part of Agent or anyone in his employ, in which case the cost shall be borne by Agent.

H. Agent shall, at his expense, provide and continuously maintain his own separate and independent business office and shall conduct all business and transactions pertaining to the Program from such office or from the County Courthouse. All business office expenses, office supply expenses, salaries of employees, and other expenses incurred by Agent not specifically provided otherwise herein shall be paid solely by Agent. All files pertaining to the Program and maintained by Agent shall remain in the office of the Agent, but all such files and all papers, documents, letters, and memoranda contained therein or pertaining thereto shall remain the property of County, and County shall have full access thereto at all times during normal business hours.

2. Mechanics of Operation:

A. The parties acknowledge and agree that Agent will attend to and conduct the following types of transactions through the Program on behalf of County:

1) Redemptions - The payment of the full amount shown upon the face of the Tax Sale Certificate plus the subsequently accruing taxes, penalties, costs, fees, and charges as specified by the Illinois Property Tax Code of 1993 and the Mobile Home Local Services Tax Enforcement Act now in force and as hereafter amended. No redemption will be accepted for less than the full statutorily required amount required by statute. Redemptions can only occur prior to the issuance of a tax deed or tax certificate of title to the property.

2) Assignments - The sale of open, unredeemed, Tax Sale Certificate of purchase to a third party. The charge for each assignment shall be no less than the full amount specified for redemption at the time of such assignment by the Illinois Property Tax Code of 1993 or by the Mobile Home Local Services Tax Enforcement Act as now in force and as hereafter amended.

3) Reconveyances - The conveyance by the County, As Trustee, of properties to parties who held a valid ownership interest therein immediately prior to the entry of an order for issuance of tax deed or tax certificate of title to the County, As Trustee. No reconveyance will be allowed for less than the full amount required by statute to redeem the subject property plus Three Hundred and Fifty Dollars (\$350.00) or Agent's actual expense in taking Tax Deed, whichever is less. Reconveyances can only occur after the issuance of a court order for tax deed or tax certificate of purchase. All reconveyances must be approved by the County Board or its designated committee.

4) Sales - The conveyance of titles obtained through tax deed or tax certificate of title proceedings to bona

fide, legal, and eligible purchasers for value. All sales will be made for value determined by public oral or sealed bid auction sale, appraisal, or other acceptable and recognized method. The Agent will offer all properties acquired through operation of the Program at public oral or sealed bid auction sale, and shall enter into written sale agreements with the highest bidders unless specifically directed to do otherwise by the County Board or its designated committee.

5) Rentals - The letting or lease of properties to bona fide, legal, and eligible third parties for a specific and determinable length of time and for a fair market fee. Properties obtained through the Delinquent Tax Program can only be rented after the issuance of a tax deed or tax certificate of title, and only with the approval of the County Board or its designated committee. All terms, rental fees and conditions will be determined by the County Board or its designated committee. The Agent will manage the rental and offer his professional advice and guidance to the County.

B. The parties acknowledge that County will acquire Tax Sale Certificates of Purchase under the authority granted it under Section 21-90 of the Property Tax Code of 1993 and under Section 35 of the Mobile Home Local Services Tax Enforcement Act, and that such Certificates shall remain in the custody of the County Treasurer pending redemption, assignment or completion of legal proceedings resulting in cancellation thereof. Agent shall prepare notices for mailing required by and in compliance with statute for each such Certificate in due course as provided by law.

C. County shall furnish to Agent a duplicate or photocopy of each Tax Sale Certificate acquired by County, and shall provide any information known by the offices of the County Clerk, County Treasurer and County Recorder, as to owners, occupants, parties of interest, the condition of the subject property and all other relevant information in the possession of such offices which would aid in obtaining tax deeds and tax certificates of title to the properties subject of the certificates of County.

D. Agent will in due course perform the following:

1) Pursue redemptions upon and manage County's Tax Sale Certificates throughout the remainder of the redemption period provided by statute, exercising such extensions thereof, and entering into such agreements for monthly installment basis assignments of open certificates owned by County for periods up to six months in duration, as Agent may deem appropriate;

2) Research the title of each property, and identify and locate all owners, occupants, mortgage holders, lien holders, judgment holders and other parties of interest in each property;

3) Cause notice to be served upon all parties interested in each property in compliance with applicable statute;

4) Cause preparation of all pleadings and documents required in conjunction with legal proceedings for the purpose of obtaining tax deeds and tax certificates of title to all properties within the Program; and

5) Attend hearings required in order to obtain tax deeds and tax certificates of title to the properties within the Program.

E. Agent will then manage all properties acquired through operation of the Program and will liquidate the same through auction sales as above said, and may permit auction sale purchasers to make monthly installment payment of the purchase price for a period of up six (6) months. Agent may grant one additional installment payment period of six months in his discretion.

F. The County Board shall, by resolution, and upon tender of all required sums, authorize the execution of an appropriate instrument of conveyance, without warranties, for each property sold by County through the Program. Agent, with the advice and consent of County, will prepare at least three copies of each resolution for presentation to the County Board. Upon approval of the resolution, the Treasurer will surrender any outstanding Tax Sale Certificate of Purchase upon such property for cancellation as required, and Agent will prepare and deliver the instrument of conveyance to the County Board Chairman for execution.

G. Agreements for installment basis certificate assignments, installment basis property purchases, or installment basis reconveyances that are sixty (60) days delinquent shall be considered in default, and in such cases the Agent shall notify the defaulting party that unless the account is rendered contractually current within fifteen (15) days of receipt of such notice the account shall be considered defaulted and all money received on said contract shall be treated as liquidated damages.

3. Finance:

A. The actual expenses incurred for certified mail, publication, recording and other related charges authorized by statute in conjunction with or as incidental to the processing of tax sale certificates within the Program shall be paid from the proceeds of the Program. In the event such proceeds shall be insufficient at the time a charge is incurred, the Agent agrees to advance the funds necessary to pay these costs. Agent shall then be reimbursed for this advancement, in addition to his fee, and on a priority basis, from all collections of the Program. Auctioneer's fees for parcels sold at auction will not exceed one percent (1%) of the gross purchase price of each property, and will be added to the purchase price at the sale, together with any applicable official recording, transfer and similar fees for each conveyance, and all other standard purchaser's closing costs, all of which shall be paid by the purchaser of such property.

B. An escrow account shall be created in a bank designated by the Treasurer of the County and shall be maintained jointly by Agent and the Treasurer of the County. All money collected by or coming into the hands of Agent through the Program shall be deposited into the escrow account. This account shall be balanced monthly by Agent and reported to the Treasurer and shall at all times be open to the County for inspection.

C. Upon completion of each public oral or sealed bid auction sale purchase, assignment or reconveyance, the following payments will be drawn as required upon the escrow account, with the Treasurer of the County and Agent cosigning all payments:

- 1) Payment will be made to County offices for fees and expenses required.
- 2) Payment of Auctioneer fees when necessary;
- 3) Refund of overpayments, etc., when necessary;
- 4) Payment to Agent for the fees and reimbursements for advancements to which he is entitled under the terms of this Agreement;
- 5) Payment to the Treasurer of the County for the balance remaining from the sale of each property and where applicable, the County's portion of rents collected prior to sale;

Payment to the Treasurer of the County shall be attached to the Treasurer's copy of the Resolution. Payment to Agent shall be attached to Agent's copy. All payments shall be presented simultaneously to the County Board by Agent prior to the County Board authorizing the issuance of a deed.

D. Upon completion of monthly installment basis redemption, payment shall be drawn on the escrow account payable to the County Clerk of the County for the full amount necessary to redeem. Also, when applicable, payment shall be drawn on the account payable to Agent for the amount of time payment charges collected by Agent. Both the Treasurer of the County and the Agent shall cosign the checks. The payment to the County Clerk shall then be distributed in the same manner as redemption.

E. Upon the determination that an auction sale contract has been defaulted, the Agent shall disburse to Agent from Agent's escrow account the greater of Four Hundred Fifty Dollars (\$450.00) or twenty-five percent (25%) of the amount received plus the normal service charges for handling the account in full and the remaining balance will be distributed to the Treasurer of the County.

F. Agent will not be required to pay official fees on property administered through the Program. This shall include, but shall not be limited to, fees of the offices of the County Clerk, Circuit Clerk, Recorder and Sheriff. Official fees may be charged the redeeming or purchasing parties but in no event shall they affect the fees due Agent.

4. Compensation of Agent:

A. In cases of redemptions or assignments of tax certificates, Agent shall receive there from the maximum amount of penalties applicable to the same under the provisions of the Property Tax Code of 1993 or the Mobile Home Local Services Tax Enforcement Act, as appropriate, plus fees and interest generated by the tax certificate and its processing, on a priority

basis. Additionally, and with respect to each assignment, Agent shall be entitled to a fee of Twenty Five Dollars (\$25.00) per assigned certificate in order to reimburse Agent's processing costs, such fee to be paid by and collected from the assignee at the time of such assignment. The penalties, fees and interest, together with any applicable assignment fee, generated upon the Tax Sale Certificate after the tax sale shall be disbursed and mailed to the Agent by the County Clerk at least monthly, along with a list of tax sale certificates redeemed for the period since the last disbursement and redemption report. At the time of each disbursement and report to Agent, the County Clerk shall retain the fees to which the County Clerk is entitled for redemption and shall forward to the Treasurer the face amount of the tax sale certificate, the funds expended for costs on the redeemed certificate and the amount of subsequently accruing taxes applied to such certificate.

B. When a tax deed or tax certificate of title has been taken as to any property administered through the Program, and upon the conveyance thereof to a new owner, Agent shall receive Four Hundred Fifty Dollars (\$450.00) or twenty-five percent (25%) of the purchase price, whichever is greater. In event the sale price of any property is \$450.00 or less, the Agent shall receive the full sale price as compensation and no additional fee shall be due upon that property.

C. When the County has taken a tax deed or tax certificate of title, and Agent has collected rents on the property prior to its auction sale, Agent shall receive, in addition to all other fees and reimbursements hereunder, fifty percent (50%) of all rents collected and deposited into the escrow account there from.

D. In event Agent shall arrange installment basis certificate assignments, installment basis parcel purchases or reconveyances, Agent shall be entitled to an additional service charge of Twelve Dollars and Fifty Cents (\$12.50) per month which will be charged to and paid by the party receiving such installment basis assignment, purchase, or reconveyance.

E. In cases of default in any installment basis assignment, property purchase or reconveyance, Agent shall receive the full time payment charges above said, plus his fees as computed above but reduced in the same ratio as the uncollected amount bears to the total amount agreed therefore.

F. In the event County shall, after obtaining title to property through the Program, directly reconvey such property to a previous owner thereof, the compensation to Agent shall be the full amount of penalties prescribed in the Property Tax Code of 1993 in addition to the actual expenses in taking deed, not to exceed Three Hundred Fifty Dollars (\$350.00), which shall be charged to and paid by the previous owner.

G. Should it become necessary for the Agent to institute legal action to cure title to any property obtained by the County through any entity other than Agent himself, Agent shall be entitled to additional compensation in the amount of \$350.00 per action to defray the costs of Agent's legal staff plus any court costs advanced.

5. General Conditions:

A. Supervision by Committee: County may elect to designate one of its committees for purposes of supervision of the operation of the Program and for reception of reports, correspondence, accountings and advice of Agent hereunder. In event of such designation, all functions to be performed by, and all communications from Agent to County shall be rendered to such committee unless County shall otherwise direct.

B. Conflict of Interest: Except as hereinafter provided, neither Agent, nor anyone in his employ nor anyone holding a subagent relationship to Agent, nor anyone affiliated with Agent shall own or have any interest, directly or indirectly, legal or equitable, in real property located in the County without the express approval of the County Board of the County. Neither Agent nor anyone in his employ nor any relative or representative of Agent, during the term of this Agreement, shall possess or acquire any pecuniary interest directly, indirectly or beneficially, or by any derivative process, in any property tax delinquency or forfeiture in the County. The foregoing notwithstanding, however, County recognizes that Agent, his employees, agents or subagents, may, at the date of this Agreement have an interest in property which would otherwise be in violation of this Paragraph, and such present interests shall not be deemed in violation hereof. The intent of this Paragraph is to prohibit Agent, his employees, agents or subagents from hereafter obtaining interests in property located in the County without the express approval of the County Board. Agent will provide to County a list of the interests now owned by Agent which would otherwise so violate the terms of this Paragraph.

C. Agent Not an Employee of County: It is mutually understood and agreed, and it is the intent of the parties that an independent contractor relationship be and is hereby established under the terms and conditions of this Agreement. It is further understood, agreed and it is the intent of the parties, that the employees of Agent are not, nor shall they be deemed, employees of the County and that the employees of the County are not, nor shall they be deemed, employees of Agent. It is further understood, agreed and is the intent of the parties that the County has not created any type of County office through the creation of the Program, nor shall Agent be considered a public officer in performing his duties pursuant to this

Agreement.

D. Service of Process and Notices. All service of process in proceedings arising through operation of the Program, including notices required in conjunction with proceedings to obtain tax deeds and tax certificates of title, shall be performed by the Sheriff or Coroner of the County, with assistance by Agent's personnel in appropriate cases. Agent shall be authorized to post all costs of service of notices, whether performed by Sheriff, Coroner or Agent's personnel, to the judgment docket as additional costs of redemption of the delinquency necessitating such service.

E. Plats. County shall, without expense to Agent, furnish Agent with current tax map and plat books for use by Agent in identifying and locating tax delinquent properties within the Program.

F. Assignment. Agent and County agree that this Agreement is one contemplating the performance of personal services by Agent and his employees, and, therefore neither party hereto may assign or transfer this Agreement or any part thereof, without the written consent of the other party.

G. Written Notices. Any written notices which may be required pursuant to this Agreement shall be addressed and sent as follows:

To County: The County of Union
 Union County Clerk
 Union County Courthouse
 309 W. Market Street – Room 100
 Jonesboro, IL 62952

To Agent: Joseph E. Meyer
 Joseph E. Meyer & Associates
 141 St. Andrews Avenue
 Edwardsville, Illinois 62025

H. Termination of Agreement. This Agreement shall be in effect from the date of signing until terminated by either the Agent or County. The County may elect to terminate this Agreement at any time by giving written notice to Agent One Hundred Twenty (120) days prior to the effective date of termination. Agent may elect to terminate this Agreement at any time after the second anniversary of this Agreement by giving written notice to County Three Hundred Sixty-five (365) days prior to the effective date of termination. Each succeeding County Board shall have the right to terminate this agreement by giving written notice to Agent One Hundred Twenty (120) days prior to the effective date of termination. Upon termination of this Agreement, Agent shall be allowed to complete all sales, assignments and reconveyances in process and Agent shall receive the compensation he would be entitled to under this Agreement and the normal service charges on money collected.

This Agreement entered into and signed at the Courthouse of the County, this 4 day of March, 2011.

County Board of Union County, Illinois

By: Randall Kuehl
Chairman

Joseph E. Meyer, Agent

Attest: Bobby Jones