

FINANCE AND AUDIT COMMITTEE
McHenry County Government Center – Administration Building
667 Ware Road
Woodstock IL 60098

MINUTES OF TUESDAY, APRIL 24, 2007

Committee Chairman Marc Munaretto called the meeting to order at 9:30 a.m. The following Committee Members were present: Marc Munaretto; Marie Chmiel; John Hammerand; Lyn Orphal; and Daniel Ryan. Tina Hill arrived at 9:32 a.m. and Barbara Wheeler arrived at 10 a.m.. Also in attendance: Ralph Sarbaugh, Associate County Administrator – Finance; Jim Bernier, Auditor's Department; John Labaj, Deputy County Administrator; Peter Austin, County Administrator; Pat McNulty, Health Department; Bob Lesser and Sandra Lewis, Mental Health (708) Board; Jeff Young, Division of Transportation; and the press.

Marc Munaretto, Chairman	
Marie M. Chmiel	John Hammerand
Tina Hill	Lyn Orphal
Daniel P. Ryan	Barbara Wheeler

MINUTES

Mr. Ryan made a motion, seconded by Mr. Hammerand, to approve the April 19, 2007 minutes of the Finance and Audit Committee. The minutes were approved as submitted with a unanimous voice vote.

PUBLIC PARTICIPATION: None

PRESENTATION:

Funding Guidelines – Mental Health Board: Committee members were joined by Sandy Lewis and Bob Lessor from the Mental Health Board. They presented an overview of the Mental Health Board's Funding Guidelines along with a review of mandated Mental Health Board requirements, a summary of the current compliance environment, a comparison of current funding processes with future direction and identified issues that impact funding priorities. Medicaid compliance requires that Medicaid be the payer of last resort and that Medicaid is payment in full. A Medicaid service payment cannot be supplemented. Members thanked Ms. Lewis and Mr. Lessor for their update on Mental Health Board issues.

NEW BUSINESS

Resolution to amend Resolution R-200702-51-037: Ms. Chmiel made a motion, seconded by Mr. Ryan, to recommend the County Board approve a Resolution to amend Resolution R-200702-51-037. The motion carried with all members present voting aye on a roll call vote (Wheeler, Orphal, Ryan, Hill, Hammerand, Chmiel and Munaretto).

Resolution authorizing acceptance of an additional \$1,500 in grant funding from the Illinois Department of Human Services and an emergency appropriation to the Health Department's FY 07 budget: Mr. Ryan made a motion, seconded by Ms. Wheeler, to recommend the County Board approve a Resolution authorizing acceptance of an additional \$1,500 in grant funding from the Illinois Department of Human Services and an emergency appropriation to the Health Department's FY 07 budget. The motion carried with all members present voting aye on a roll call vote (Wheeler, Orphal, Ryan, Hill, Hammerand, Chmiel and Munaretto). Ms. Hill asked that the Health Department provide an update on the Teen Pregnancy program, said report could be e-mailed to members. Mr. McNulty stated he would get this information to members as soon as possible.

Resolution authorizing acceptance of a \$47,441 grant from the Illinois Department of Public Health for a Cities Readiness initiative and an emergency appropriation to the Health Department's FY 07 budget: Mr. Orphal made a motion, seconded by Mr. Hammerand, to recommend the County Board approve a Resolution authorizing acceptance of a \$47,441 grant from the Illinois Department of Public Health for a Cities Readiness initiative and an emergency appropriation to the Health Department's FY 07 budget. The motion carried with all members present voting aye on a roll call vote (Chmiel, Hammerand, Hill, Orphal, Ryan, Wheeler and Munaretto).

Resolution authorizing a budget line item transfer in the Division of Transportation FY 07 budget: Ms. Chmiel made a motion, seconded by Ms. Orphal, to recommend the County Board approve a Resolution authorizing a budget line item transfer in the Division of Transportation FY 07 budget. The motion carried with all members present voting aye on a roll call vote (Chmiel, Hammerand, Hill, Orphal, Ryan, Wheeler and Munaretto).

Resolution authorizing an emergency appropriation to the FY 06/07 General Fund Non-Departmental Budget and the Animal Control Building Project Fund Budget: Chairman Munaretto stated that there were a couple of issues that need to be resolved before moving forward with this Resolution. Mr. Austin noted that Hoffman is pulling out of Illinois and staff has been discussing pulling together a new agreement with Chuck Bennet to provide architectural services through a his fledgling firm. The proposed Resolution only authorizes the additional funding for the Animal Control facility, it does not indicate a firm. The Resolution allows for the County to move forward on the funding. Chairman Munaretto pointed out that the additional funding is only for the construction component and does not include funding for furniture, fixtures or equipment (FFE). He wanted the members to be aware of the additional costs and that the request does not take care of all the expenses the County will have to get this project completed. He stated he would rather consider a Resolution that would include all costs instead of having to present Resolutions incrementally. He noted that the Building Projects Committee took the responsibility of earmarking funds without referring this issue back to the Management Services Committee. Ms. Chmiel commented that some Committee needs to decide who should be addressing the funding needs. She stated that she did not believe the requested funds would be enough to cover all expenses. She had asked that the three divisions be separated with a listing of what funds will be allocated to each and then what the whole project will cost. Chairman Munaretto noted that at the last Building Projects Committee meeting Prime Hoffman provided some costs, but did not include FFE items, including animal cages. Ms. Hill commented that this presents a huge difference in the original costs, adding that she really does not know how she feels at this point. She stated the County could stop the project and re-evaluate the entire plans for the facility; she felt consideration of the proposed Resolution should be deferred at this time. Ms. Chmiel added that before the committee votes on the Resolution the costs for each division should be separated; the costs should be even higher – noting that bids have not even be received; and the plan previously presented was not a final plan. The Committee agreed to defer this Resolution at this time.

Resolution authorizing a budget line item transfer in the County Administration FY 06-07 budget: Ms. Wheeler made a motion, seconded by Mr. Ryan, to recommend the County Board approve a Resolution authorizing a budget line item transfer in the County Administration FY 06-07 budget. The motion carried with all members present voting aye on a roll call vote (Chmiel, Hammerand, Hill, Orphal, Ryan, Wheeler and Munaretto).

Resolution authorizing a contract with Kluber, Skahan & Associates, Inc. (KSA) to develop a Facilities Master Plan: Ms. Wheeler made a motion, seconded by Ms. Chmiel, to recommend the County Board approve a Resolution authorizing a contract with Kluber, Skahan & Associates, Inc. (KSA) to develop a Facilities Master Plan. It was noted that the agreement includes a completion date of April 30, 2008 at a cost not to exceed \$98,500. As part of the contract, the services will include pre-planning; an inventory of existing facilities; various departmental interviews and space analysis; the development of a concept plan; and a final facilities master plan.

Ms. Wheeler left the meeting at 10:40 a.m.

A roll call vote on the motion was called. The motion carried with all members present voting aye on a roll call vote (Chmiel, Hammerand, Hill, Orphal, Ryan and Munaretto).

EXECUTIVE SESSION: None.

OLD BUSINESS

McHenry County Travel & Business Expense Policy: Nothing to discuss at this time.

McHenry County Loan Fund Program – Update: Mr. Labaj provided an update on the Loan Fund program, noting that there is currently \$591,777.64 available. He reported that Contempo Industries has claimed bankruptcy and are two month's delinquent. E's Bakery has closed operations and is one month delinquent. Five inquiries were received in March. Arnold Engineering is planning on expanding its Marengo facility and there is a potential to help with this project.

REPORTS TO COMMITTEE

Auditor's Report – Mr. Bernier reported that work with the outside auditors continues to be on time. All reports are being reviewed and the department is waiting to receive all responses to the Management Letter.

Contingency Reports – Mr. Sarbaugh distributed the various reports. It was noted that sales tax revenue had decreased during the first quarter and staff is investigating this further. The General Fund Contingency Report incurred an expense of \$1,000 for a new vault for re-internment of a body. Mr. Sarbaugh also submitted a draft job description for a Financial Analyst position. This position would provide support to Mr. Sarbaugh. No action by the Committee was necessary at this time.

Chairman Munaretto reminded the Committee that the May 8th meeting would begin as a joint meeting with the Transportation Committee. After joint business is completed the two Committees would break-off and hold their individual meetings.

McHenry County Convention & Visitors Bureau: Chairman Munaretto reported that the Agritourism Task Force has met twice and is moving along in their objectives. The Convention and Visitors Bureau has asked the task force to consider a McHenry County Farm Trail, which could bring visitors to the area. In addition, the CVB has submitted an application to the State to be certified. With certification, many additional doors will open. Ms. Hill added that the Artwork Sub-Committee will be working with the McHenry County Historical Society to do a quilt barn projects.

Economic Development Corporation (EDC): Activities currently focus on business retention.

Chairman Munaretto announced that it will not be necessary to have a formal Budget Advisory meeting this year as the budget process has worked well over the past few years.

ADJOURNMENT

Noting no further business, Ms. Orphal made a motion, seconded by Mr. Ryan, to adjourn the meeting at 11:05 a.m. The motion carried with a unanimous voice vote.

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RECOMMENDED FOR BOARD ACTION:

Resolution to amend Resolution R-200702-51-037

Resolution authorizing acceptance of an additional \$1,500 in grant funding from the Illinois Department of Human Services and an emergency appropriation to the Health Department's FY 07 budget

Resolution authorizing acceptance of a \$47,441 grant from the Illinois Department of Public Health for a Cities Readiness initiative and an emergency appropriation to the Health Department's FY 07 budget

Resolution authorizing a budget line item transfer in the Division of Transportation FY 07 budget

Resolution authorizing a budget line item transfer in the County Administration FY 06-07 budget

Resolution authorizing a contract with Kluber, Skahan & Associates, Inc. (KSA) to develop a Facilities Master Plan

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