

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

MINUTES OF TUESDAY, JUNE 26, 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; Tina Hill; Lyn Orphal; and Daniel Ryan. Barbara Wheeler had informed the Committee she would be absent. Also in attendance: Ralph Sarbaugh, Associate County Administrator – Finance; John Labaj, Deputy County Administrator; Pam Palmer and Jim Bernier – Auditor's Department; Sandy Lewis and Jane Wacker, Mental Health (708) Board; Peter Austin, County Administrator; SuzAnne Ehardt, Director – Planning and Development Department; interested public; and the press.

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

MINUTES

Mr. Hammerand made a motion, seconded by Ms. Orphal, to approve the June 12 and June 19 2007 minutes of the Finance and Audit Committee. The minutes were approved as submitted with a unanimous voice vote.

PUBLIC PARTICIPATION:

None.

PRESENTATION:

None

NEW BUSINESS

Resolution authorizing an emergency appropriation and budget line item transfers in the FY 07 McHenry County Mental Health Board's budget for the Child Mental health Initiative – Family Care Grant and Match: This item was pulled from the agenda.

Resolution authorizing an emergency appropriation for the McHenry County Mental Health Board's FY 08 Continuation Funding Agreements: Ms. Wacker stated that Revenue item showing 95 Interest Income, should be changed to 96 Other Income. With this revision, Mr. Ryan made a motion, seconded by Ms. Orphal, to recommend the County Board approve a Resolution an emergency appropriation for the McHenry County Mental Health Board's FY 08 Continuation Funding Agreements. The motion carried with all members present voting aye on a roll call vote (Chmiel, Orphal, Hill, Hammerand, Ryan and Munaretto).

Resolution authorizing acceptance of the Veterans Lottery Grant and an emergency appropriation to the Veterans Assistance Commission 07 budget: Ms. Hill made a motion, seconded by Ms. Orphal, to recommend the County Board approve a Resolution authorizing acceptance of the Veterans Lottery Grant and an emergency appropriation to the Veterans Assistance Commission 07 budget. The motion carried with all members present voting aye on a roll call vote (Chmiel, Orphal, Hill, Hammerand, Ryan and Munaretto).

Resolution authorizing a budget line item transfer within the Planning and Development Department's FY 07 budget and the reactivation of a full-time Plumbing Inspector Position: Ms. Orphal made a motion, seconded by Mr. Ryan, to recommend the County Board approve a Resolution authorizing a budget line item transfer within the Planning and Development Department's FY 07 budget and the reactivation of a full-time Plumbing Inspector Position. Ms. Ehardt reviewed the request after which a roll call vote was called. The motion carried with all members present voting aye (Chmiel, Orphal, Hill, Hammerand, Ryan and Munaretto).

Resolution authorizing a budget line item transfer in the Senior Services Grant FY 07 budget for funding a Housing needs Assessment Study: Ms. Orphal made a motion, seconded by Mr. Ryan, to recommend the County Board approve a Resolution authorizing a budget line item transfer in the Senior Services Grant FY 07 budget for funding a Housing needs Assessment Study. Mr. Labaj reported that this request comes on behalf of the Continuation of Care Committee and was approved by the Public Health and Human Services Committee and the Senior Services Grant Commission. Other funding sources will include the Mental Health Board. The study will look at the number of available homes, the quantity of houses and what is available to meet the special needs of seniors to assist in keeping them independent. After a discussion, a roll call vote was called. The motion carried with all members voting aye. (Chmiel, Orphal, Hill, Hammerand, Ryan and Munaretto).

EXECUTIVE SESSION – Ms. Hill questioned why the executive portion of a committee meeting could not be moved to the end of the meeting. Chairman Munaretto stated he felt this would make sense and asked that future agendas have this item placed just before adjournment. He also stated this item would be considered later in today's meeting.

OLD BUSINESS

Discussion – McHenry County Policy governing the Purchase and Sale of Real Estate Land and Buildings: Chairman Munaretto noted that members were a draft of a proposed policy for purchasing and selling of real estate land and buildings during the last meeting and were asked to review this document for discussion at today's meeting. He then asked Ms. Hill to provide a summary to the discussion held at Management Services regarding this policy. Ms. Hill stated that the Management Services (MS) Committee had reviewed the document and suggested that the Committee meeting jointly with the Finance and Audit (FA) Committee and then hold a Committee of the Whole meeting so all members of the County Board can discuss this proposed document. She also stated that the MS Committee had suggested added language to reference the leasing of property and also add a policy on how to set the purchase price of a property being sold. She noted that the first sentence in the section "Role of the McHenry County Board" appears to usurp the County Board Rule which states that "Any Member of any standing committee may present a written minority report on any matter coming from the standing committee to the County Board." Chairman Munaretto agreed stating this sentence can be revised to indicate "subject to County Board Rules." Ms. Hill then questioned the order in which such business should follow and what Committee would review such issues relative to the sale of acquisition of property. Chairman Munaretto stated the FA Committee should address the sale of any capital asset. The Management Services Committee should consider whether to declare a property surplus and if so a Resolution should be sent to the full County Board for consideration. If the County Board approves the Resolution for declaration of surplus property, the FA Committee would then determine how to sell a property or acquire a property. He stated this could be done as a Policy Procedure. Mr. Austin stated perhaps adding language regarding the process to obtain a price should also be considered. Ms. Chmiel agreed noting that a solid process to get the best offer when selling a property would be helpful. Chairman Munaretto stated such issues could be address as "Procedures" rather than being included in the Policy. He stated he was unsure how to address "leasing" of property since this has been handled through negotiated lease agreements. He added that leasing is usually done as a short term option to address a specific need. He noted that the County did lease property in the past but a State's Attorney's opinion has stated the County does not have the ability to lease property or buildings to an outside entity. Mr. Austin stated that the State's Attorney had reviewed the draft document and suggested including language to define how the property is to be sold or how to price the property. Chairman Munaretto commented that "one size does not fit all" and to add such wording may be too constructive. He suggested that setting a policy is the initial step after which procedures could be considered. Mr. Austin stated that leasing property may be conceivable in the future, such as space for the Regional Superintendent of Schools. Ms. Hill raised concern with the requirement of a 2/3 majority vote of the County Board to acquire property. Chairman Munaretto stated the super-majority should be required and that this is already a requirement on the purchase of any property. After a discussion, the Committee agreed that a super-majority vote of the full County Board would be required on a Resolution to declare a property surplus. Once a property is declared surplus, the FA Committee will determine how to dispose of the property. The FA Committee's recommendation will be sent to the Full County Board by Resolution, with a simple majority vote required. Chairman Munaretto noted that any acquisition of property should be done by first declaring a need, then determining price and finally the source of funding. The MS Committee could declare the need, by a simple majority vote and make the recommendation to the full County Board, if approved the FA Committee would then decide how to finance the purchase. He stated that some thought should also be given as to the role of the Public Building Commission (PBC), should this Commission be a liaison to the FA Committee? He noted that the PBC is controlled by State Statute and does have the power to condemn, which the County does not. He stated this could be a discussion at a future meeting. Revisions as discussed would be made to the proposed policy for continued discussion.

REPORTS TO COMMITTEE

Auditor's Report- Pam Palmer reported that the recent GFOA Conference provided an update to auditing and accounting standards which will be used by the Department. She also noted that the "hot line" is now up and running and will be referenced on the website as an avenue for people to report issues. She added that the Auditor's Newsletter will be out in the near future.

Contingency Reports: Mr. Sarbaugh distributed the General Fund Contingency Account Statement of Activity as of 6/26/07.

Economic Development Corporation (EDC): The Strategic Plan has been completed and they are now developing an action plan. In addition, a public/private coalition is being formed to create more awareness of transportation concerns and to solicit state funding for transportation projects within McHenry County.

McHenry County Convention & Visitors Bureau: Nothing to report.

EXECUTIVE SESSION

Ms. Hill made a motion, seconded by Mr. Hammerand to enter executive session to discuss personnel. The Committee entered executive session at 10:40 a.m. on a roll call vote of all ayes ((Chmiel, Orphal, Hill, Hammerand, Ryan and Munaretto).

On a motion by Ms. Orphal, seconded by Mr. Hammerand, the Committee re-entered regular session at 11:11 a.m. on a roll call vote of all ayes (Chmiel, Orphal, Hill, Hammerand, Ryan and Munaretto).

Chairman Munaretto announced that no action was taken by the Committee during executive session.

Mr. Hammerand reported that there has been a change in recent laws regarding the handling of executive session tapes, noting that a Federal Judge is now allowed to listen to executive sessions tapes and authorize their release to the public. He also noted that consideration is being given as to how long to keep such tapes before they are properly disposed of.

ADJOURNMENT

Noting no further business, Ms. Hammerand made a motion, seconded by Ms. Orphal, to adjourn the meeting at 11:14 a.m. The motion carried with a unanimous voice vote.

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RECOMMENDED FOR BOARD ACTION:

Resolution an emergency appropriation for the McHenry County Mental Health Board's FY 08 Continuation Funding Agreements

Resolution authorizing acceptance of the Veterans Lottery Grant and an emergency appropriation to the Veterans Assistance Commission 07 budget

Resolution authorizing a budget line item transfer within the Planning and Development Department's FY 07 budget and the reactivation of a full-time Plumbing Inspector Position

Resolution authorizing a budget line item transfer in the Senior Services Grant FY 07 budget for funding a Housing needs Assessment Study

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