

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

MINUTES OF TUESDAY, FEBRUARY 28, 2006

Chairman Munaretto called the meeting to order at 9:30 a.m. The following Committee Members were present: Marc Munaretto, Chairman; Marie Chmiel; Ann Kate; Don Brewer; and Perry Moy. Ann Gilman was absent. Also in attendance: Ralph Sarbaugh, Associate County Administrator-Finance; Gerri Sherman, Workforce Investment; Sandy Lewis and Jane Wacker, Mental Health (708) Board; John Labaj, Deputy County Administrator; Pam Palmer and Julia Cwienkala, Auditor; Bob Ivetic, Human Resources; interested public; and the press.

Marc Munaretto, Chairman	
Don Brewer	Marie Chmiel
Ann Gilman	John Hammerand
Ann Kate	Perry Moy

MINUTES

Mr. Moy made a motion, seconded by Ms. Chmiel, to approve the Finance and Audit Committee February 21, 2006 minutes. The minutes were approved as presented with a unanimous voice vote.

PUBLIC PARTICIPATION: None

PRESENTATION: None

NEW BUSINESS

*Resolution Accepting the IL Dept. of Commerce & Economic Opportunity Grant and authorizing an emergency appropriation in the FY 06 Job Training Budget:* Mr. Moy made a motion, seconded by Ms. Chmiel to recommend the County Board approve a Resolution Accepting the IL Dept. of Commerce & Economic Opportunity Grant and authorizing an emergency appropriation in the FY 06 Job Training Budget. The motion carried with all members present voting aye on a roll call vote (Moy, Hammerand, Kate, Brewer, Chmiel and Munaretto).

*Resolution authorizing monthly transactions for the delinquent tax program:* Mr. Brewer made a motion, seconded by Mr. Moy to recommend the County Board approve a Resolution authorizing monthly transactions for the delinquent tax program. The motion carried with all members present voting aye on a roll call vote (Chmiel, Brewer, Kate, Hammerand, Moy and Munaretto).

*Resolution authorizing a short term allocation from the General Fund to the Mental Health 708 Board fund in FY 06:* Mr. Moy made a motion, seconded by Mr. Brewer to recommend the County Board approve a Resolution authorizing a short term allocation from the General Fund to the Mental Health 708 Board fund in FY 06. Ms. Lewis reported that this Resolution is being done as just a precautionary step and that funds will be drawn-down only as needed. Mr. Sarbaugh noted that the Mental Health Board will repay any allocated funds from the first distribution of the 2005 real estate taxes collected. On a roll call vote, the motion carried with all members present voting aye (Moy, Hammerand, Kate, Brewer, Chmiel and Munaretto).

*Resolution authorizing the reclassification of position number 010-E11-002-99 in the Planning and Development Department:* Mr. Moy made a motion, seconded by Ms. Kate to recommend the County Board approve a Resolution authorizing the reclassification of position number 010-E11-002-99 in the Planning and Development Department. Mr. Ivetic noted that this is a reclassification from a GIS Analysis to a GIS Supervisor. There will be no financial impact. The motion carried with all members present voting aye on a roll call vote (Chmiel, Brewer, Kate, Hammerand, Moy and Munaretto).

*Resolution authorizing an emergency appropriation to the Jail Build-out Project FY 2005 budget:* Mr. Moy made a motion, seconded by Ms. Kate to recommend the County Board approve a Resolution authorizing an emergency appropriation to the Jail Build-out Project FY 2005 budget. Mr. Sarbaugh explained that Resolution will provide the recording of the retainage held by the County relative to the Jail Build-Out Project. He noted that "retainage" in this situation refers to the "County's agreement to hold a certain percentage back until the construction job is satisfactorily completed." On a roll call vote, the motion carried with all members present voting aye (Moy, Hammerand, Kate, Brewer, Chmiel and Munaretto).

*Resolution authorizing FY 06 budget line item transfers in the Mental Health Child Initiative Grant Fund:* Mr. Brewer made a motion, seconded by Ms. Chmiel, to recommend the County Board approve a Resolution authorizing FY 06 budget line item transfers in the Mental Health Child Initiative Grant Fund. Ms. Lewis reported that this request relates to a liaison position that will be paid by federal dollars to form a partnership between SEDOM and the Mental Health Board. The SEDOM employee will be "leased" to the Mental Health Board through a Memorandum of Understanding for nine months of the year. During the summer months, the employee will be a seasonal employee of the Mental Health Board. She stated that this request is subject to the State's Attorney opinion. After a discussion, the motion carried with all members present voting aye on a roll call vote (Chmiel, Brewer, Kate, Hammerand, Moy and Munaretto).

*Resolution authorizing acceptance of the IL. State board of Education funding and an emergency appropriation to the County Mental health FY 06 budget.* Mr. Moy made a motion, seconded by Ms. Kate to recommend the County Board approve a Resolution authorizing acceptance of the IL. State Board of Education funding and an emergency appropriation to the County Mental Health (708) Board FY 06 budget. This is a small grant received from the State Board of Education to be used for WRAP services (a concept to engage the family with professional services as part of total individualized plan for the family). On a roll call vote, the motion carried with all members present voting aye (Moy, Hammerand, Kate, Brewer, Chmiel and Munaretto).

*Resolution authorizing acceptance of a grant in the amount of \$600,137.36 and an emergency appropriation to the County Clerk/Election Department FY 06 budget.* Mr. Brewer made a motion, seconded by Mr. Hammerand to recommend the County Board approve a Resolution authorizing acceptance of a grant in the amount of \$600,137.36 and an emergency appropriation to the County Clerk/Election Department FY 06 budget. Mr. Sarbaugh pointed out that it is still undetermined as to how these funds can be used and therefore the expenditures on the Resolution are "to be determined." The motion carried with all members present voting aye on a roll call vote (Chmiel, Brewer, Kate, Hammerand, Moy and Munaretto).

*Resolution authorizing acceptance of a grant in the amount of \$600,137.36 and an emergency appropriation to the County Clerk/Election Department FY 06 budget.* Ms. Kate made a motion, seconded by Mr. Brewer, to recommend the County Board approve a Resolution authorizing acceptance of a grant in the amount of \$600,137.36 and an emergency appropriation to the County Clerk/Election Department FY 06 budget. Mr. Sarbaugh again pointed out that the State's Attorney is making a determination as to how these funds can be used and thus the Resolution notes expenditures are "to be determined." The funds from this grant along with the previous grant must first be spent before reimbursement is approved. The motion carried with all members present voting aye on a roll call vote (Moy, Hammerand, Kate, Brewer, Chmiel and Munaretto).

*Resolution authorizing a Workers' Compensation Claim Settlement:* Mr. Brewer made a motion, seconded by Ms. Chmiel to recommend the County Board approve a Resolution authorizing a Workers' Compensation Claim Settlement. Mr. Labaj reported that this is an older claim dating back to 1998 and involves a correctional officer who sustained an injury after slipping on a wet floor. The officer is still employed by the County. The motion carried with all members present voting aye on a roll call vote (Chmiel, Brewer, Kate, Hammerand, Moy and Munaretto).

EXECUTIVE SESSION: None.

#### OLD BUSINESS

Chairman Munaretto reported that the Management Services Committee had a discussion on the trial for "paperless packets" and noted that there are many difficulties and problems in opening a file and in the use of the laptop computers. He stated that Mr. Sullivan will be coordinating the collection of the laptop computers that were previously provided to members of the Management Services and Finance / Audit Committees and other options will be researched to determine how to make the process easier.

#### REPORTS TO COMMITTEE

*Petty Cash Audit Report:* Ms. Palmer and Ms. Cwienkala provided a summary to the petty cash audit that was recently completed by the Audit Department. There are currently 18 petty cash funds and all were part of this audit. The audit revealed that petty cash funds are not being balanced on a regular or consistent basis along with poor documentation and proper receipts for purchases. Recommendations included the development and adoption of a uniform petty cash policy to insure that all departments follow the same guidelines and procedures for handling their petty cash funds. Chairman Munaretto asked that this item be included on the next agenda for the Finance & Audit Committee.

*Contingency Reports:* The following reports were distributed: General Fund; Courthouse and annex A remodeling; Valley-Hi Building construction; and the Jail Build-out.

Chairman Munaretto stated that Mr. Sarbaugh is working on the Financial Model which will be available at the Committee of the Whole meeting.

Mr. Sarbaugh stated that he is a part of the Emergency Disaster Task Force Group. He stated if an emergency disaster/ event should take place it would be necessary to purchase supplies, food, etc. To have a method to track such purchases, Mr. Sarbaugh asked if a "dummy department" could be established in the budget to provide a method to track and record these emergency purchases – this fund/department would only be used for disaster relief funds. He asked if a Resolution would be needed. Chairman Munaretto responded that although a Resolution would not be necessary such a document would provide a record of this action for future reference. Mr. Sarbaugh will submit a Resolution for the Committee's consideration.

ADJOURNMENT

Noting no further business, Mr. Hammerand made a motion, seconded by Ms. Chmiel, to adjourn the meeting at 10:25 a.m. The motion carried with a unanimous voice vote.

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**RECOMMENDED FOR BOARD ACTION:**

Resolution Accepting the IL Dept. of Commerce & Economic Opportunity Grant and authorizing an emergency appropriation in the FY 06 Job Training Budget

Resolution authorizing an emergency appropriation to Emergency Services & Disaster Agency's FY 06 budget

Resolution authorizing a short term allocation from the General Fund to the Mental Health 708 Board fund in FY 06

Resolution authorizing the reclassification of position number 010-E11-002-99 in the Planning and Development Department

Resolution authorizing an emergency appropriation to the Jail Build-out Project FY 2005 budget

Resolution authorizing FY 06 budget line item transfers in the Mental Health Child Initiative Grant Fund

Resolution authorizing acceptance of the IL. State board of Education funding and an emergency appropriation to the County Mental health FY 06 budget

Resolution authorizing acceptance of a grant in the amount of \$600,137.36 and an emergency appropriation to the County Clerk/Election Department FY 06 budget

Resolution authorizing acceptance of a grant in the amount of \$600,137.36 and an emergency appropriation to the County Clerk/Election Department FY 06 budget

Resolution authorizing a Workers' Compensation Claim Settlement

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