

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

MINUTES OF TUESDAY, JULY 11, 2006

Chairman Munaretto called the meeting to order at 9:38 a.m. The following Committee Members were present: Marc Munaretto, Chairman; Ann Gilman; Blake Hobson; Marie Chmiel; John Hammerand; and Perry Moy. Don Brewer was absent. Also in attendance: Ralph Sarbaugh, Associate County Administrator – Finance; Pam Palmer, Auditor, and members of her staff; John Labaj, Deputy County Administrator; Katie Schultz, County Clerk; Peter Austin, County Administrator; and interested public.

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

MINUTES

Ms. Gilman made a motion, seconded by Mr. Moy, to approve the Finance and Audit Committee June 27, 2006 minutes. Ms. Chmiel asked that the minutes be amended to include Mr. Hobson in the roll call votes. The minutes were approved as amended with a unanimous voice vote.

PUBLIC PARTICIPATION:

None

PRESENTATION:

None.

NEW BUSINESS

Resolution authorizing a budget line item transfer in the FY 06 budget between General Fund Departments – non-departmental, Sheriff and Merit Commission: Mr. Moy made a motion, seconded by Ms. Gilman to recommend the County Board approve a Resolution authorizing a budget line item transfer in the FY 06 budget between General Fund Departments – non-departmental, Sheriff and Merit Commission. Mr. Sarbaugh explained that there is a need to conduct additional testing to fill vacancies in the Sheriff’s Department and this is causing a budget shortage for the Merit Commission. After a discussion, a roll call vote was called. The motion carried with all members present voting aye (Hobson, Hammerand, Moy, Chmiel, Gilman and Munaretto).

Resolution authorizing a Workers’ Compensation Claim Settlement: Mr. Moy made a motion, seconded by Mr. Hobson, to recommend the County Board approve a Resolution authorizing the settlement of the Workers’ Compensation Claim. Mr. Labaj summarized the claim noting that this was a back injury due to a wet floor. The settlement of \$66,512.72 was negotiated by the State’s Attorney. Mr. Labaj explained the consequences should this resolution not be approved. On a roll call vote, the motion carried with five ayes (Moy, Chmiel, Hammerand, Hobson and Munaretto) and one nay (Ms. Gilman). Ms. Chmiel questioned unneeded testing that were conducted while the claimant was hospitalized. Mr. Labaj stated that the County did not pay for these procedures.

Resolution authorizing a position reclassification for the County Clerk: Ms. Gilman made a motion, seconded by Ms. Chmiel to recommend the County Board approve a Resolution authorizing a position reclassification in the County Clerk’s Department. Ms. Schultz provided additional information to explain the proposed Resolution. She noted that she would like to reclassify a current vacant entry level position to allow her to hire an individual who could do the coding of the election files and other technical support services in-house. She reviewed the savings such in-house services would provide and reported that grant funds could be used. She stated that she has a person with the expertise and experience to fill this position. This would be an administrative assistant position with a salary of \$50,000 per year. The individual would also work on a disaster recovery program for the County Clerk’s department when not involved in elections. A roll call vote was called. The motion carried with all members present voting aye (Moy, Chmiel, Gilman, Hobson, Hammerand and Munaretto).

Resolution authorizing monthly transactions for the Delinquent Tax Program: Mr. Moy made a motion, seconded by Ms. Gilman to recommend the County Board approve a Resolution authorizing monthly transactions for the Delinquent Tax Program. A roll call vote was called. The motion carried with all members present voting aye (Moy, Chmiel, Gilman, Hobson, Hammerand and Munaretto).

Resolution authorizing the extension of and revisions to the incentive program for the nursing staff at Valley-Hi Nursing Home: Mr. Moy made a motion, seconded by Mr. Hobson to recommend the County Board approve a Resolution authorizing the extension of and revisions to the incentive program for the nursing staff at Valley-Hi Nursing Home. Mr. Sarbaugh reviewed the incentive program to date. He reviewed proposed changes to the program noting that if approved the rates paid would be done on a tiered basis instead of a general rate across the board. He noted that this approach would encourage all staff to work their scheduled hours and would reward those employees who pick up extra hours when other employees were absent. Overtime hours would be paid at a 1-1/2 times the incentive rate. To receive the incentive, the agency staff hours must be reduced by 15% of the previous year's quarter for the same period. The extension would run through November, 2006. A roll call vote was called. The motion carried with all members present voting aye on a roll call vote (Moy, Chmiel, Gilman, Hobson, Hammerand and Munaretto).

2006 County Strategic Action Plan Update for the Finance & Audit Committee: Mr. Labaj reported that charts with the "next steps" will be distributed at the County Board meeting. He stated that the Finance & Audit Committee's chart would include the whole packet. Members asked that they receive this information prior to the Board meeting so they could review the information. Mr. Labaj will provide this material to the Committee members.

EXECUTIVE SESSION: None.

OLD BUSINESS:

Chairman Munaretto apologized for the late start to the meeting. He stated that he has asked the Management Services Committee to consider meeting on Monday so the overlapping of meetings would not occur. Members asked if it would help to start the Finance & Audit Committee meetings at 10 a.m. rather than 9:30. Chairman Munaretto responded there would still be the overlapping issue and there would be no value to changing the time. The Management Services Committee will be addressing this concern at a future meeting.

Ms. Palmer asked if the Committee would like her to bring a Resolution forward to accept the Financial Reports. The Committee responded "yes." She then asked how to handle the exceptions reported in the Management Letter. Chairman Munaretto asked that this be done with a condensed synopsis.

REPORTS TO COMMITTEE:

Mr. Sarbaugh presented an invoice for title/land survey services. He stated that the Committee had directed him not to pay additional invoices relating to the purchase of the property in Crystal Lake without Committee approval. Chairman Munaretto asked why the County and not the seller should pay this bill noting that this would be the usual method with the seller receiving a credit at closing. Ms. Gilman added that these services are usually provided when there is a valid contract. Chairman Munaretto pointed out there is a valid enforceable contract contingent upon County Board approval. Ms. Gilman asked who authorized the survey. Mr. Austin replied that this was done through the Administration office as part of the due diligence process. He added that this was also discussed with the seller and the seller did not agree. The County determined they needed this information to allow for additional discussion. After further discussion, Chairman Munaretto stated it was Committee consensus to pay the bill since the work had been done.

Contingency Reports: Mr. Sarbaugh distributed the Contingency Reports.

Ms. Gilman asked if it would be possible to get a monthly update on the Jail revenue. Mr. Austin stated he receives daily reports and a document could be created from those reports.

Chairman Munaretto noted that Ms. Hill and Ms. Wheeler had joined the meeting after the Management Services Committee. He asked if they had any information they would like to share. Ms. Hill reported that the Management Services Committee had decided that the full County Board needs to vote one way or another on the State Farm Building in Crystal Lake or to build the animal control facility on County property or if not neither one of those locations, then they must consider constructing the facility at a different location. Chairman Munaretto asked why the Banford Road location was ignored. Ms. Hill stated that this location is included in the report and could be discussed. Mr. Austin stated this will go to the County Board under "New and Unfinished Business" since the Management Services Committee was not making a recommendation but was leaving the final decision to the full County Board.

Ms. Hill stated the report with synopsis will be placed in each Board Member's box so they can review all the information prior to the Board meeting on the 18th. Ms. Wheeler stated the Board will be asked to focus on the following two options: (1) the State Farm Building in Crystal Lake; or (2) building on-site. Ms. Hill asked members to contact her if they have any questions on the information that will be provided.

Ms. Gilman asked Ms. Hill if the Management Services Committee could meet on Monday. Ms. Hill noted that Monday is not a possible date at this time, but that her Committee would be reviewing the meeting time in the next few months.

Ms. Gilman asked where the article on "rats" had come from. Ms. Hill stated the Mr. Hobson had come across the article and she had copied it for all Board members. Ms. Gilman asked that the person providing material be identified in the future.

ADJOURNMENT

Noting no further business, Ms. Chmiel made a motion, seconded by Ms. Gilman, to adjourn the meeting at 10:40 a.m. The motion carried with a unanimous voice vote.

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RECOMMENDED FOR BOARD ACTION:

- Resolution authorizing a budget line item transfer in the FY 06 budget between General Fund Departments – Non-Departmental, Sheriff and Merit Commission
- Resolution authorizing a Workers' Compensation Claim Settlement
- Resolution authorizing a position reclassification for the County Clerk
- Resolution authorizing monthly transactions for the Delinquent Tax Program
- Resolution authorizing the extension of and revisions to the incentive program for the nursing staff at Valley-Hi Nursing Home

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