

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

MINUTES OF TUESDAY, APRIL 22, 2008

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; and Lyn Orphal. Daniel Ryan arrived at 9:31a.m. Tina Hill and Barbara Wheeler were absent. Also in attendance: Ralph Sarbaugh, Assistant County Administrator – Finance; Cindy Kozlowski, Financial Analyst; John Labaj, Deputy County Administrator; Peter Austin, County Administrator; Pat McNulty, Health Department; Sandy Lewis and Jane Wacker, Mental Health; Gene Lowery, Undersheriff; Paul Lerner, IT; Bill Kays, Circuit Court Clerk; Bob Ivetic, Human Resources; Dan Shea, County Board Member; Pam Palmer and Jim Bernier, Auditor; interested public; and the press.

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

MINUTES

Ms. Orphal made a motion, seconded by Ms. Chmiel, to recommend approval of the April 8, 2008 committee minutes. The minutes were approved as submitted with a unanimous voice vote of all ayes.

PUBLIC COMMENT: None.

Mr. Ryan arrived at 9:31a.m.

PRESENTATION:

Update on status of Real Estate Tax Bills (Bill LeFew): Mr. LeFew is waiting for additional information and would attend a future meeting to provide an update.

Mr. Shea joined committee members to provide an update regarding the RTA sales tax supplemental. He stated there will be two weeks to review the draft policy and since he is the CMAP representative, felt it appropriate to provide an update to committee members. He stated that funds come in from sales tax to fund CMAP. There is an effort to push through legislation for more record keeping and to require a more formal record keeping process. There will be a cost involved with this process. It will be important to make sure these costs are attributed to the RTA process. He stated that if committee members have any questions to please contact him.

NEW BUSINESS

Resolution authorizing acceptance of \$5,500 in grant funding from the Illinois Department of Public health and an emergency appropriation to the Health Department's FY 08 budget: Ms. Chmiel made a motion, seconded by Mr. Ryan, to recommend the County Board approve a Resolution authorizing acceptance of \$5,500 in grant funding from the Illinois Department of Public health and an emergency appropriation to the Health Department's FY 08 budget. Mr. McNulty reviewed the request with committee members, after which a roll call vote was taken. The motion carried with all members present voting aye on a roll call vote (Chmiel, Hammerand, Ryan, Orphal, Munaretto)

Resolution authorizing acceptance of a \$64,214.35 grant from the Illinois Department of Public Health for a mosquito vector prevention program and an emergency appropriation to the Health Department's FY 08 budget: Mr. Hammerand made a motion, seconded by Mr. Ryan, to recommend the County Board approve a Resolution authorizing acceptance of a \$64,214.35 grant from the Illinois Department of Public Health for a mosquito vector prevention program and an emergency appropriation to the Health Department's FY 08 budget. Mr. McNulty noted that these funds come from the surcharge on tires. After discussion, a roll call vote was called. The motion carried with all members present voting aye on a roll call vote (Chmiel, Hammerand, Ryan, Orphal, Munaretto)

Resolution authorizing acceptance of a \$10,000 health vision grant and an emergency appropriation to the Health Department's budget for FY 08: Ms. Orphal made a motion, seconded by Ms. Chmiel to recommend the County Board approve a Resolution authorizing acceptance of a \$10,000 health vision grant and an emergency appropriation to the Health Department's budget for FY 08. The motion carried with all members present voting aye on a roll call vote (Chmiel, Hammerand, Ryan, Orphal, Munaretto) Committee members noted that the dates on the bottom of the three Health Department Resolutions are wrong and requested the dates changed prior to sending the Resolutions to the County Board for approval.

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Resolution authorizing an amendment to the RSM McGladrey Contract providing professional services for the implementation of a comprehensive job evaluation/classification system: Ms. Chmiel made a motion, seconded by Ms. Orphal, to recommend the County Board approve a Resolution authorizing an amendment to the RSM McGladrey Contract providing professional services for the implementation of a comprehensive job evaluation/classification system. Mr. Ivetic stated that when the study first began, the cost was based upon an estimate and because of the increased time spent with the department heads, the cost increased. The funds for the project have been included in the Human Resource Department budget. After discussion, a roll call vote was called. The motion carried with all members present voting aye on a roll call vote (Chmiel, Hammerand, Ryan, Orphal, Munaretto)

Resolution authorizing the creation of a part time Veterans Service Officer and budget line item transfers in the Veterans Assistance Commission: Ms. Orphal made a motion, seconded by Mr. Ryan, to recommend the County Board approve a Resolution authorizing the creation of a part time Veterans Service Officer and budget line item transfers in the Veterans Assistance Commission. After discussion a roll call vote was called. The motion carried with all members present voting aye on a roll call vote (Chmiel, Hammerand, Ryan, Orphal, Munaretto)

Resolution authorizing a new Radio Dispatcher position in the Sheriff's Departmental Roster and an emergency appropriation to the Sheriff's FY 08 budget: Mr. Ryan made a motion, seconded by Ms. Orphal, to recommend the County Board approve a Resolution authorizing a new Radio Dispatcher position in the Sheriff's Departmental Roster and an emergency appropriation to the Sheriff's FY 08 budget. Undersheriff Lowery reviewed the request after which a roll call vote was called. The motion carried with all members present voting aye on a roll call vote (Chmiel, Hammerand, Ryan, Orphal, Munaretto)

Resolution to enter into a contract and intergovernmental agreement for Gypsy Moth Containment Services: Mr. Hammerand made a motion, seconded by Ms. Chmiel, to recommend the County Board approve a Resolution to enter into a contract and intergovernmental agreement for Gypsy Moth Containment Services. Mr. Labaj stated that with the intergovernmental agreement, it allows others to piggy back onto the contract with each entity getting billed for their portion of the service. The GIS department has been working with the Gypsy Moth consultant to target the specific areas to be sprayed. After discussion, a roll call vote was called. The motion carried with all members present voting aye on a roll call vote (Chmiel, Hammerand, Ryan, Orphal, Munaretto)

Resolution authorizing the increase in hours for one billing and data entry specialist and the elimination of the Family Care Site Supervisor on the McHenry County Mental Health Board roster: Mr. Ryan made a motion, seconded by Chmiel, to recommend the County Board approve a Resolution authorizing the increase in hours for one billing and data entry specialist and the elimination of the Family Care Site Supervisor on the McHenry County Mental Health Board roster. Ms. Lewis stated that when a vacancy occurs the department reviews the needs and shifts personnel where needed. After discussion, a roll call vote was called. The motion carried with all members present voting aye on a roll call vote (Chmiel, Hammerand, Ryan, Orphal, Munaretto)

Resolution authorizing an emergency appropriation in the non-departmental FY 08 budget for the Integrated Justice Project: Committee members reviewed a Resolution authorizing an emergency appropriation in the non-departmental FY08 budget for the Integrated Justice Project. Committee members were provided a recap of how the funds for the project have been spent so far. Concern was noted that the terms are based on dates but, should be based upon completion of certain portions of the project. The Federal Government has earmarked \$94,000 for this project. \$500,000 was earmarked in the County's financial model as well. They also stated that the source of the funds should be reflected in the resolution as well. After a lengthy discussion, Ms. Orphal made a motion, seconded by Mr. Ryan to recommend approval of the above Resolution, as amended. The motion carried with all members present voting aye on a roll call vote (Chmiel, Hammerand, Ryan, Orphal, Munaretto) It was suggested that when a Resolution is amended by a committee this information should be placed on the Resolution so when being reviewed by County Board members they will know that changes were made from the original format. It should state what committee made the amendments and the date they were changed. Committee members agreed with the requirement.

Resolution authorizing a lease with HP Financial Services for a storage area network and an emergency appropriation to the County Recorder's FY 08 Automation Budget: Ms. Orphal made a motion, seconded by Ms.

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Chmiel, to recommend the County Board approve a Resolution authorizing a lease with HP Financial Services for a storage area network and an emergency appropriation to the County Recorder's FY 08 Automation Budget. After discussion, a roll call vote was called. The motion carried with all members present voting aye on a roll call vote (Chmiel, Hammerand, Ryan, Orphal, Munaretto)

Resolution authorizing an expenditure in the County Recorder's FY 08 Automation Budget for Professional Microfilm Services to convert 35MM Microfilm into Digital Format: Mr. Hammerand made a motion, seconded by Ms. Chmiel, to recommend the County Board approve a Resolution authorizing an expenditure in the County Recorder's FY 08 Automation Budget for Professional Microfilm Services to convert 35MM Microfilm into Digital Format. After discussion, a roll call vote was called. The motion carried with all members present voting aye on a roll call vote (Chmiel, Hammerand, Ryan, Orphal, Munaretto)

Budget Policy: To be discussed at the next Finance and Audit Committee.

Discussion – IMRF Military Service Buy-Back (B. Ivetic): To be discussed at a future meeting.

Discussion – Hotel/Motel Tax to fund the MCCVB: Chairman Munaretto noted that he requested this item to be placed on the agenda to discuss with committee members. He stated that most communities that have hotels/motels are able to change a hotel/motel tax. There are limitations for a county to fund a Convention and Visitors Bureau. He stated it is difficult for the County's to compete with Municipalities. He would like to suggest that the County add to its Legislative Agenda to change the County Code to allow any County that has a Certified Convention and Visitors Bureau the ability to charge a Hotel/Motel Tax to fund said bureau. This would be a statewide proposal for the funding of certified Convention and Visitor Bureaus. This would generate between \$250,000 - \$300,000 for the McHenry County Convention and Visitors Bureau without imposing an additional tax onto its citizens. Committee members stated they would like to see what surrounding States charge for Hotel/Motel taxes in their states. It was suggested that this get formalized in October for incorporation into the Legislative agenda for January 2009.

OLD BUSINESS:

Discussion – Valley-Hi Financial Forecast Model: Committee members were informed that Valley Hi Committee already has a copy of the County's draft model. It was suggested that a meeting be set up with Revere personnel to make them understand why we use the model we do. Chairman Munaretto suggested he meet with Revere and report back to the committee.

Discussion – Outside Auditor Services: Committee members were presented with a Proposal for Renewal of Audit Services Contract and a list of Audit firms used by McHenry and Surrounding Counties for FY2000-2007. The proposal includes renewal options for 2008 and 2009. The price includes requirements of new accounting practices. Ms. Palmer noted that we can elect to use the current price or go out to bid, with increased costs. She noted the County may be further ahead by using VirchowKrause because they already have County information. The industry is telling us that the firms that do this type of work is shrinking and by hiring a new firm there is a greater risk of them missing material and requires a lot of up front work to get familiar with the County. She recommended the County keep the current Auditors. Mr. Hammerand noted that there is a benefit in the bid process. Committee members questioned if we could approve the extended contract for 1 year with an option to renew. Committee members were informed that this could be done. The consensus of the Committee was to renew the contract with VirchowKrause for one year with an option to renew the contract for an additional year. It was requested that a Resolution be brought forward to the next committee meeting for approval.

REPORTS TO COMMITTEE:

Auditor's Report: Ms. Palmer reported that a draft Management Letter has been received. She noted that it has been cut down quite a bit. Committee members asked if they could get a copy of the draft. She stated that would be okay, but, the department usually responds to the draft letter first, with the final Management Letter sent back to the County after the firm makes their final changes.

Contingency: Committee members reviewed the contingency report. Mr. Sarbaugh noted that fuel costs have escalated since approval of the budget. He stated they will probably have to get into the contingency fund by July to fund these escalating costs. He wanted the committee members to be aware of these increases.

Hopefully the contingency fund will remain strong. He stated the Department Heads have been asked to watch their expenditures because of the increased overall costs being seen.

Economic Development Corporation (EDC): None

McHenry County Convention & Visitors Bureau: See above.

EXECUTIVE SESSION: None.

ADJOURNMENT

Noting no further business, Mr. Hammerand made a motion, seconded by Ms. Orphal, to adjourn the meeting at 10:45a.m. The motion carried with a unanimous voice vote.

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RECOMMENDED FOR BOARD ACTION:

- Resolution authorizing acceptance of \$5,500 in grant funding from the Illinois Department of Public health and an emergency appropriation to the Health Department's FY 08 budget
- Resolution authorizing acceptance of a \$64,214.35 grant from the Illinois Department of Public Health for a mosquito vector prevention program and an emergency appropriation to the Health Department's FY 08 budget
- Resolution authorizing acceptance of a \$10,000 health vision grant and an emergency appropriation to the Health Department's budget for FY 08
- Resolution authorizing an amendment to the RSM McGladrey Contract providing professional services for the implementation of a comprehensive job evaluation/classification system
- Resolution authorizing the creation of a part time Veterans Service Officer and budget line item transfers in the Veterans Assistance Commission
- Resolution authorizing a new Radio Dispatcher position in the Sheriff's Departmental Roster and an emergency appropriation to the Sheriff's FY 08 budget
- Resolution to enter into a contract and intergovernmental agreement for Gypsy Moth Containment Services
- Resolution authorizing the increase in hours for one billing and data entry specialist and the elimination of the Family Care Site Supervisor on the McHenry County Mental Health Board roster
- Resolution authorizing an emergency appropriation in the non-departmental FY 08 budget
- Budget Policy
- Resolution authorizing a lease with HP Financial Services for a storage area network and an emergency appropriation to the County Recorder's FY 08 Automation Budget
- Resolution authorizing an expenditure in the County Recorder's FY 08 Automation Budget for Professional Microfilm Services to convert 35MM Microfilm into Digital Format

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