

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

MINUTES OF TUESDAY, SEPTEMBER 23, 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; Tina Hill; Lyn Orphal; and Barbara Wheeler. Dan Ryan was absent. Also in attendance: John Labaj, Deputy County Administrator; Ralph Sarbaugh, Associate County Administrator – Finance; Cindy Kozlowski, Budget Analyst; Pam Palmer and Jim Bernier, Auditor's Department; Pat McNulty, Health; Kathie Schultz, County Clerk; Adam Lehmann, Administrative Intern; 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 recommend approval of the September 9, 2008 Finance and Audit Committee minutes and the September 9, 2008 Joint meeting minutes of the Finance and Audit Committee and the Planning and Development Committee. The minutes were approved as submitted with a unanimous voice vote of all ayes.

PUBLIC COMMENT: Ms. Collins requested that the agenda include more details regarding resolutions that are to be considered at a meeting, including the amount of funds being requested. Chairman Munaretto thanked Ms. Collins for her suggestion.

PRESENTATION: None.

NEW BUSINESS

*Resolution authorizing an emergency appropriation in the Health Department's FY 08 budget:* Ms. Chmiel made a motion, seconded by Ms. Wheeler, to recommend the County Board approve a Resolution authorizing an emergency appropriation in the Health Department's FY 08 budget. Mr. McNulty reviewed the request noting that the department had received an additional \$41,000 over what was previously budgeted in the Family Case Management Local Share. These funds will be used to complete some outstanding issues at the new animal control facility. A roll call vote was called. The motion carried with all members present voting aye (Wheeler, Hammerand, Chmiel, Orphal, Hill and Munaretto). Ms. Hill asked that future resolutions include a memorandum explaining in more detail the request in the proposed resolution.

*Resolution authorizing the reclassification of position #51-0017-99 in the Health Department for FY 08:*

Ms. Orphal made a motion, seconded by Ms. Hill, to recommend the County Board approve a Resolution authorizing the reclassification of position #51-0017-99 in the Health Department for FY 08. Mr. McNulty reviewed the request noting that the position does not need to be filled by a public health nurse and the reclassification will address this change. The motion carried with all members present voting aye on a roll call vote (Wheeler, Hammerand, Chmiel, Orphal, Hill and Munaretto).

*Resolution authorizing a contribution to the Chicago Metropolitan Agency for Planning (CMAP) for transportation and land use planning:* Ms. Hill made a motion, seconded by Ms. Wheeler, to recommend the County Board approve a Resolution authorizing a contribution of \$25,000 to the Chicago Metropolitan Agency for Planning (CMAP) for transportation and land use planning. Mr. Sarbaugh noted that this was previously budgeted for under association dues but exceed the \$20,000 threshold. Mr. Hammerand questioned what services the County receives from CMAP. Chairman Munaretto responded that the organization provides land use planning and transportation services. After discussion, a roll call vote was called. The motion carried with all members present voting aye on a roll call vote (Wheeler, Hammerand, Chmiel, Orphal, Hill and Munaretto).

*Resolution authorizing a budget line item transfer in the County Clerk's Election Administration Improvement Grant FY 08 budget:* Ms. Hill made a motion, seconded by Ms. Chmiel, to recommend the County Board approve a Resolution authorizing a budget line item transfer in the County Clerk's Election Administration Improvement Grant FY 08 budget. Ms. Schultz reported that these funds will be used to purchase 50 touch screen kiosks to be used by the public as an election teaching and information tool. The kiosk can be used in

various locations such as public libraries. On a roll call vote, the motion carried with all members present voting aye on a roll call vote (Wheeler, Hammerand, Chmiel, Orphal, Hill and Munaretto).

*FY 08-09 Preliminary Non-Departmental Budget Review:* Mr. Sarbaugh joined the Committee to provide a review of the preliminary non-departmental budget for FY 08/09, noting that the County Board has control over this budget. He stated that the use of Department 99 caused some confusion with the accounting system and to eliminate any problems or misunderstanding Department 90 was implemented. Department 99 is now dedicated to only debt services and employee benefits. He provided an overview to the various non-department FY 08/09 budget items, explaining each item and answered any questions. It was noted that the contractual service for ECivis was not extended this year and those funds were moved into strategic planning to allow for the hiring of a strategic planning moderator. Other items covered under Contractual Services included Andy Frain Services, Gypsy Moth Spraying and Lobbyist services. Members questioned if the Star Com Maintenance Agreement and Tower Rental should fall under the Sheriff's budget. In response, it was explained that services of Star Com will have multiple uses and serve many departments as is the budget for computer maintenance. It was noted that the Cooperative Extension Services has requested an increase of \$20,000, in 2008 they received \$55,000 and are requesting \$70,000 for 2009. In addition, Soil and Water Conservation has made a supplemental request for an increase of \$10,000. Mr. Sarbaugh reported that financial support for the recycling program in schools does not appear in this information since this was previously approved by a resolution passed by the County Board. Legal Services is a \$10,000 set aside fund to accommodate costs of unexpected legal services. Funds in the amount of \$6,000 are set aside to cover the holiday luncheon for employees in Employee Relations. The Mental Health Court funds also are in the General Fund and the budget for 09 has been reduced by \$70,000,000.

Mr. Sarbaugh reported that a Chairman's Advisory Legislative Forum meeting has been scheduled for Monday, September 29, 2008 at 3:00 pm to review supplemental requests. Chairman Munaretto stated that as an observation he has noted that it is difficult to attend a late afternoon meeting and morning meetings appear to be a more convenient time for members. He added he is not suggesting a change to this meeting, Mr. Hammerand noted it is difficult for him to attend early morning meetings.

Mr. Munaretto asked for a motion to accept the FY 08-09 preliminary non-department budget as submitted. Ms. Chmiel made the motion, seconded by Ms. Orphal. The motion carried with a unanimous voice vote of all ayes.

Mr. Sarbaugh reported that there were some incorrect dates on the updated Budget Process Calendar. He noted that the October Board meeting date should be October 21, not October 28. He also noted that November 11<sup>th</sup> is a holiday and if it is necessary to have a Finance & Audit Committee meeting one would be scheduled for November 10<sup>th</sup>. The Truth and Taxation Hearing will be held during the Finance & Audit Committee meeting scheduled for October 14, 2008.

Chairman Munaretto suggested that next year's budget process begin in May instead of June to allow additional time to work through the various issues.

OLD BUSINESS: None

REPORTS TO COMMITTEE:

*Auditor's Report:* Ms. Palmer and Mr. Bernier joined the Committee and presented the County Auditor's 2<sup>nd</sup> Quarter report for the 6 months ended May 31, 2008. She stated future reports to the Committee would have just the Management's Discussion and Analysis (MD&A) section. Chairman Munaretto commented that much of the report is "boiler plate" and asked if there were any specific items for the Committee to address at this time. Ms. Palmer responded that there were no specific items adding that the information would also be available on the website for the public to view. She also reported that an Internal Control Seminar is scheduled for next Thursday with a repeat session in October; a refresher course on the new IFMS software is taking place on Tuesday and will review how bills are to be submitted. In addition, John Rader of Virchow Krause has contacted her regarding meeting with the Committee. She reminded members that internal controls become effective this year and she is getting the process together for implementation.

*Contingency Reports:* The General Fund Contingency Account Statement of Activity as of September 22, 2009 was submitted for review.

Ms. Chmiel reported that the Management Services Committee had a good discussion on set-aside funds for Medicare.

Ms. Hill reported that the County has taken possession of Klehm property which has seven buildings. It is anticipated that five of those buildings will need to be demolished.

EXECUTIVE SESSION: None.

ADJOURNMENT

Noting no further business, Mr. Hammerand made a motion, seconded by Ms. Chmiel, to adjourn the meeting at 10:38 a.m. The motion carried with a unanimous voice vote.

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**RECOMMENDED FOR BOARD ACTION:**

- Resolution authorizing an emergency appropriation in the Health Department's FY 08 budget
- Resolution authorizing the reclassification of position #51-0017-99 in the Health Department for FY 08
- Resolution authorizing a contribution to the Chicago Metropolitan Agency for Planning (CMAP) for transportation and land use planning
- Resolution authorizing a budget line item transfer in the County Clerk's Election Administration Improvement Grant FY 08 budget

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