

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

MINUTES OF TUESDAY, SEPTEMBER 8, 2009

Committee Chair Marc Munaretto called the meeting to order at 9:30 a.m. The following Committee Members were present: Marc Munaretto; Scott Breeden; Mary Donner; John Hammerand; Tina Hill; and Lyn Orphal. Daniel Ryan arrived at 9:40 am.. Also in attendance: John Labaj, Deputy County Administrator; Peter Austin, County Administrator; Ralph Sarbaugh, Associate County Administrator – Finance; Bob Ivetic, Human Resources, Sandy Lewis and Jane Wacker, Mental Health Board; interested public; and press.

Marc Munaretto, Chairman	
Scott Breeden	Mary L. Donner
John Hammerand	Tina Hill
Lyn Orphal	Daniel P. Ryan

MINUTES

Ms. Orphal made a motion, seconded by Mr. Breeden, to recommend approval of the minutes of the Finance & Audit Committee meeting on August 25, 2009. Chairman Munaretto asked that the minutes to amend the allocation amount to \$18,338,000 in the second paragraph under new business. The minutes were approved as amended with a unanimous voice vote of all ayes.

PUBLIC COMMENT: Mr. Skinner addressed the Committee and stated it was his understanding that the land for the Equity One Sports Development was being donated although the project costs include a land acquisition amount of \$4,200,000.

PRESENTATION: None

NEW BUSINESS:

The agenda was adjusted by Chairman Munaretto to address the three Resolutions regarding Recovery Zone requests to the beginning to allow attending representatives to discuss these requests. He stated that he has met with the City of McHenry and the Village of Fox River Grove to review funds available and both parties agreed to accept funding in the amount of \$2.5 million for the City of McHenry (instead of \$3.5 million) and \$1,238,000 for the Village of Fox River Grove (instead of \$1.5 million). He noted that projects to be considered for funding must be shovel ready. He reminded attendees that volume cap funds that go unused will go back to the State for re-allocation. Should funds become available for re-allocation, McHenry County could get additional funds and would be able to fill requests for more funding.

Resolution allocating Recovery Zone Volume Cap and approving a project for the City of McHenry for the purposes of the American Recovery and Reinvestment Tax Act of 2009: Doug Maxeiner, McHenry City Administrator, joined the Committee to discuss the City of McHenry's request for volume cap funding. He stated that the funds would be used for the local street improvement project. The project has an estimated completion date of December 2010. The City's original request was for \$3.5 million, but has agreed to lower the request to \$2.5 million at this time. The City would like to be considered for the additional funds should they become available. Mr. Hammerand made a motion, seconded by Mr. Breeden, to recommend the County Board approve a Resolution allocating Recovery Zone Volume Cap and approving a project for the City of McHenry for the purposes of the American Recovery and Reinvestment Tax Act of 2009. After discussion, a roll call vote was called. The motion carried with all members present voting aye (Breeden, Donner, Hammerand, Hill, Orphal and Munaretto).

Mr. Ryan arrived at 9:40 am.

Resolution allocating Recovery Zone Volume Cap and approving a project for the Village of Fox River Grove for the purposes of the American Recovery and Reinvestment Tax Act of 2009: Ms. Orphal made a motion, seconded by Ms. Donner, to recommend the County Board approve a Resolution allocating Recovery Zone Volume Cap and approving a project for the Village of Fox River Grove for the purposes of the American Recovery and Reinvestment Tax Act of 2009. Village President Robert J. Nunamaker and Village Administrator Art Osten joined the Committee to discuss the Village of Fox River Grove's request for Volume Cap funding. Funds would be used for the repair of village streets. The Village originally requested \$1,500,000 but has agreed to accept \$1,238,000. The estimated completion date for the project is April 5, 2011. After discussion, a roll call vote was called. The motion carried with all members present voting aye (Breeden, Ryan, Donner, Hammerand, Hill, Orphal and Munaretto).

Resolution allocating Recovery Zone Volume Cap and approving a project for Equity One Sports Development: Chairman Munaretto noted that this application is not complete and the Committee will be unable to vote on this request during today's meeting. He reported that the application lacks a Lender Commitment Letter which is a requirement to the application process. He asked Mr. Houser from Equity One Development Corporation, to join the Committee to discuss this request and walk through the proposed project. Mr. Hauser provided an overview to the project which will be a multi-purpose stadium situated on 38 acres located on US Route 14 in Woodstock. The predominant employment positions will be lower paying jobs. The City of Woodstock has approved the project. It is anticipated that the project will be completed in the spring of 2011. Mr. Hauser reported that two investment bankers are interested in this project, but no written document is available at this time. He stated the investors want to know if the County will approve this request for Recovery Zone Funding. Chairman Munaretto noted that without a signed commitment from a lending firm this item cannot move forward for approval at this time. After discussion, Ms. Hill made a motion, seconded by Ms. Donner, to table this item until the Finance and Audit Committee meeting on Tuesday, September 22, 2009. The motion carried with all members present voting aye on a voice vote.

Resolution authorizing entering into an agreement with Andy Frain Services, Inc. for security services for the McHenry County Administration Building: Mr. Hammerand made a motion, seconded by Ms. Donner, to recommend the County Board approve a Resolution authorizing entering into an agreement with Andy Frain Services, Inc. for security services for the McHenry County Administration Building. On a roll call vote, the motion carried with seven ayes (Hammerand, Hill, Orphal, Donner, Ryan, Breeden and Munaretto)

Resolution authorizing the reclassification from Office Assistant I to Administration Specialist II on the McHenry County Mental Health Board Roster: Ms. Donner made a motion, seconded by Mr. Ryan, to recommend the County Board approve a Resolution authorizing the reclassification from Office Assistant I to Administration Specialist II on the McHenry County Mental Health Board Roster. Ms. Lewis reviewed the request noting that no budget adjustment is needed due to cost savings in other positions. After discussion, a roll call vote was called. The motion carried with all members present voting aye (Breeden, Ryan, Donner, Orphal, Hill, Hammerand and Munaretto).

Resolution authorizing a contract agreement between the Metropolitan Alliance of Police Chapter 515 and the County of McHenry: Ms. Orphal made a motion, seconded by Mr. Ryan, to recommend the County Board approve a Resolution authorizing a contract agreement between the Metropolitan Alliance of Police Chapter 515 and the County of McHenry. Mr. Ivetic reviewed the contract and resolution noting that this is the first agreement with the Circuit Clerk's office and includes non-exempt employees. The agreement is for three years retroactive to December 1, 2008. He stated that this is a fair and equitable contract and does not include a step system wage structure. It conforms County policy. Mr. Breeden raised concern that he is being asked to make a decision without knowing the full impact on the financial aspects to the proposed agreement. He stated he would like to see this information for future requests so he will fully understand the financial implications. He stated he also has concerns with County policy. Mr. Ivetic noted that negotiations on this contract began in November of 2008 and when an offer is put on the table it cannot be removed or taken off. He stated that the starting rates are parallel to our current job classification system. After discussion, a roll call vote was taken. The motion carried with seven ayes (Hammerand, Hill, Orphal, Breeden, Ryan, Donner and Munaretto).

Resolution approving McHenry County Regional Transportation Authority Sales Tax Funding for the Transit Grant Program and appropriating funds: Ms. Donner made a motion, seconded by Mr. Ryan, to recommend the County Board approve a Resolution approving McHenry County Regional Transportation Authority Sales Tax Funding for the Transit Grant Program and appropriating funds. Jason Osborn and Jeffrey Young joined the Committee to discuss this proposed Resolution. The goal of the long-range transit plan is to provide enhanced travel between communities within the County. Members discussed the Resolution after which Mr. Hammerand made a motion to amend the Resolution to indicate this is an emergency appropriation in the title, provide for an annual re-evaluation of the project in the Highway Improvement Program (HIP), and delete the word "Road District" after Pioneer Center. Ms. Hill seconded this motion. The motion to amend carried with all members present voting aye on a voice vote. A roll call vote on the original motion was called. The motion carried with all members voting aye (Breeden, Ryan, Donner, Orphal, Hill, Hammerand and Munaretto).

Resolution authorizing a budget line item transfer in the Insurance Liability Fund for FY 08/09 budget: Ms. Donner made a motion, seconded by Mr. Ryan, to recommend the County Board approve a Resolution authorizing a budget line item transfer in the Insurance Liability Fund for FY 08/09 budget. Mr. Labaj reviewed

the Resolution. A roll call vote was called. The motion carried with all members present voting aye (Donner, Ryan, Breeden, Hammerand, Hill, Orphal and Munaretto).

OLD BUSINESS:

Update on Hobby Town Loan Fund Project: Mr. Labaj reported that he is expecting a document from the bank later this week and will update the Committee as more information becomes available.

REPORTS TO COMMITTEE:

Auditor's Report: None.

Contingency Reports: Mr. Sarbaugh submitted the General Fund Contingency Account Statement of Activity as of September 4, 2009. He noted the County is entering the last quarter and more budget adjustment requests are anticipated. Such requests do not increase the overall budget for a department but provides additional funds should the department deplete its budget. Departments are requested not to budget for the worst case scenario and they will not be punished if they budget judiciously.

Report on Long Term Owner Occupant Tax Relief: Mr. Labaj reported that this issue may not apply to McHenry County residents and does not appear to address senior residents. Members requested that if additional information becomes available, Mr. Labaj will keep them informed

Video Poker: This issue will be addressed initially by the Liquor Commission with plans to make a presentation to the full County Board prior to making a final decision. It is anticipated that a public hearing will also be held.

Ms. Hill asked that the Finance and Audit Committee discuss I.T. needs at a future meeting, noting this was discussed at Management Services today. Chairman Munaretto asked that this item be included on the next meeting agenda.

Chairman Munaretto updated the Committee on items being discussed during his meeting with staff. Issues being looked at include the capital side of the Financial Model, debts coming off the books, the levy and record storage space. He suggested that a cost comparison study be conducted to evaluate the leasing of a facility versus constructing a metal building.

EXECUTIVE SESSION: None.

ADJOURNMENT

Noting no further business, Ms. Hill made a motion, seconded by Ms. Orphal, to adjourn the meeting at 11:17 a.m. The motion carried with a unanimous voice vote.

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RECOMMENDED FOR BOARD ACTION:

- Resolution authorizing entering into an agreement with Andy Frain Services, Inc. for security services for the McHenry County Administration Building
- Resolution authorizing the reclassification from Office Assistant I to Administration Specialist II on the McHenry County Mental Health Board Roster
- Resolution authorizing a contract agreement between the Metropolitan Alliance of Police Chapter 515 and the County of McHenry
- Resolution approving McHenry County Regional Transportation Authority Sales Tax Funding for the Transit Grant Program and appropriating funds
- Resolution authorizing a budget line item transfer in the Insurance Liability Fund for FY 08/09 budget
- Resolution allocating Recovery Zone Volume Cap and approving a project for the City of McHenry for the purposes of the American Recovery and Reinvestment Tax Act of 2009
- Resolution allocating Recovery Zone Volume Cap and approving a project for the Village of Fox River Grove for the purposes of the American Recovery and Reinvestment Tax Act of 2009
- Resolution allocating Recovery Zone Volume Cap and approving a project for Equity One Sports Development

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