

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

MINUTES OF TUESDAY, MARCH 9, 2010

Committee Chair Marc Munaretto called the meeting to order at 9:30 a.m. The following Committee Members were present: Marc Munaretto; John Hammerand; Tina Hill; Lyn Orphal; Scott Breeden; Mary Donner; and Daniel Ryan. Also in attendance: John Labaj, Deputy County Administrator; Peter Austin, County Administrator; Ralph Sarbaugh, Associate County Administrator – Finance; Cindy Kozlowski, Financial Analyst; Pam Palmer, Auditor; Kathleen Bergan Schmidt, County Board Member; Kenneth Koehler, County Board Chairman; Lou Bianchi, State's Attorney; Tom Carroll, Assistant State's Attorney; Karen Rhodes, Office Administrator – State's Attorney; Dan Wallis, Circuit Court Administrator; interested public; and press.

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

MINUTES

Ms. Donner made a motion, seconded by Ms. Orphal, to recommend approval of the minutes of the Finance & Audit Committee meeting of February 23, 2010. Chairman Munaretto corrected a typo in the first paragraph under Presentations. The minutes were approved as corrected with a unanimous voice vote of all ayes.

PUBLIC COMMENT: None.

PRESENTATION: None.

NEW BUSINESS: .

*Resolution authorizing settlement of Workers' Compensation Claim #08-3210-19:* Ms. Orphal made a motion, seconded by Mr. Breeden, to recommend the County Board approve a Resolution authorizing settlement of Workers' Compensation Claim #08-3210-19. Mr. Labaj reviewed the claim which involved a corrections officer who injured his left shoulder when he fell off a 7" riser. After discussion, a roll call vote was called. The motion carried with all members voting aye (Breeden, Orphal, Donner, Hammerand, Hill, Ryan and Munaretto).

*Resolution authorizing settlement of Workers' Compensation Claim #05-6100-09:* Ms. Orphal made a motion, seconded by Ms. Hill, to recommend the County Board approve a Resolution authorizing settlement of Workers' Compensation Claim #05-6100-09. Mr. Labaj reported this is a claim for an injury that occurred in 2005. A Valley-Hi employee sustained a right knee injury when kicked by a patient. The employee is now on Social Security Disability and is Medicare eligible; therefore, any settlement must protect Medicare's interest by way of a set-aside account to cover future medical and prescription needs due to this injury. To meet this requirement, a set-aside account has been established through an annuity in the amount of \$138,412. After discussion, a roll call vote was called. The motion carried with all members voting aye (Breeden, Orphal, Donner, Hammerand, Hill, Ryan and Munaretto).

*Resolution authorizing acceptance of the Administrative Office of the Illinois Courts Child Protection Data Court Project Grant and an emergency appropriation to the County Administration FY 2010 budget:* Mr. Breeden made a motion, seconded by Ms. Orphal, to recommend the County Board approve a Resolution authorizing acceptance of the Administrative Office of the Illinois Courts Child Protection Data Court Project Grant and an emergency appropriation to the County Administration FY 2010 budget. Mr. Wallis provided an overview to the proposed project which will measure the court's performance and timely management of abused or neglected children cases. He reported that 22<sup>nd</sup> Judicial Circuit has agreed to be part of this three year project. The project will be funded through a grant from the Administrative Office of the Illinois Courts in the amount of \$18,750 with remaining costs through an in-kind match of salaries in the amount of \$6,277.90. It will be necessary to manually input some data as the current system cannot capture the data electrically. Mr. Wallis stated he is working with Ms. Keefe to address this issue. The motion carried with all members voting aye on a roll call vote (Breeden, Orphal, Donner, Hammerand, Hill, Ryan and Munaretto).

*Resolution authorizing mid-year salary adjustments to the salaries of several positions in the State's Attorney's Office:* Mr. Breeden made a motion, seconded by Mr. Ryan, to recommend the County Board approve a Resolution authorizing mid-year salary adjustments to the salaries of several positions in the State's Attorney's Office. Mr. Bianchi, Mr. Carroll and Ms. Rhodes joined the Committee to discuss this proposed Resolution. Mr. Bianchi reported that four of these proposed increases are because of promotions within the department. The raises would be retroactive to February 15, 2010. The fifth position is for a \$7,000 increase that should have been

done two years ago, but somehow fell through the cracks. The State's Attorney has budget to cover the first four requests. Funds for the fifth request could be obtained by using a current vacant position in the State's Attorney's Office. Questions were raised as to if the employees that were being moved up would receive the salary of the previous employee or would they receiving what the starting salary for these positions would be. In response, it was reported that the employees being promoted would receive a salary higher than the starting point for that position. If the starting salary was to be used these employees would be below what their current salaries are, but with the added responsibilities of the new position. The members agreed that the State's Attorney would need to find funding for the 5<sup>th</sup> position within their current budget. It was noted that it is the County's policy, that if an open position is used as a source of funding, this open position would be eliminated at the end of the year. Ms. Hill made a motion to amend the Resolution to delete wording in the 3<sup>rd</sup> whereas, to end the paragraph after the word increase. Mr. Breeden seconded this motion. After further discussion, a voice vote on the motion to amend was called. The motion to amend carried with a unanimous voice vote of all ayes. A roll call vote on the main motion was called with all members voting aye (Breeden, Orphal, Donner, Hammerand, Hill, Ryan and Munaretto).

*Resolution authorizing budget line item transfers in the Illinois Breast and Cervical Cancer Program local match FY 09/10 budget:* Ms. Hill made a motion, seconded by Ms. Orphal, to recommend the County Board approve a Resolution authorizing budget line item transfers in the Illinois Breast and Cervical Cancer Program local match FY 09/10 budget. A roll call vote was called with all members voting aye (Breeden, Orphal, Donner, Hammerand, Hill, Ryan and Munaretto).

OLD BUSINESS:

*Foreign Trade Zone Alternative Site Designation – Discussion:* Mr. Labaj provided an update on this issue. He stated that part of McHenry County is currently included in Foreign-Trade Zone (FTZ) #176, which is a Rockford trade zone. The FTZ #176 is not exclusive, while the proposed FTZ #22 is exclusive. Mr. Labaj stated he is doing additional research to see if the County could be a member of both trade zones. It was noted that the FTZ is established with no cost to the County and it would be a nice option to have duality if possible. This item will be revisited at the next meeting.

REPORTS TO COMMITTEE:

*Auditor's Report:* Ms. Palmer distributed the next fourth part of her the eight-part series on the Auditor's Office. This section provided an overview to the internal auditing process, which is a duty of the Auditor as defined by state statutes.

*Contingency Reports:* The General Fund Contingency Account – Statement of Activity as of March 9, 2010 was distributed. Mr. Sarbaugh reported that the state was late in posting the December Sales Tax report, therefore no information is available at this time. Chairman Munaretto commented that sales taxes have shown a slight ticking upward. It was also agreed that the current policy regarding Contingency Funding would not be changed, which allows administration to spend up to \$10,000 without going through a Committee; up to \$20,000 with Finance & Audit Committee's review and approval; and anything over \$20,000 would need final approval by the County Board.

EXECUTIVE SESSION: None

ADJOURNMENT

Noting no further business, Ms. Hill made a motion, seconded by Ms. Donner, to adjourn the meeting at 10:48 a.m. The motion carried with a unanimous voice vote.

\* \* \* \* \*

**RECOMMENDED FOR BOARD ACTION:**

- Resolution authorizing settlement of Workers' Compensation Claim #08-3210-19
- Resolution authorizing settlement of Workers' Compensation Claim #05-6100-09
- Resolution authorizing acceptance of the Administrative Office of the Illinois Courts Child Protection Data Court Project Grant and an emergency appropriation to the County Administration FY 2010 budget
- Resolution authorizing mid-year salary adjustments to the salaries of several positions in the State's Attorney's Office
- Resolution authorizing budget line item transfers in the Illinois Breast and Cervical Cancer Program local match FY 09/10 budget

:bjt