

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

MINUTES OF TUESDAY, MARCH 23, 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; Ken Koehler, McHenry County Board Chairman; Pam Palmer, Auditor; Joe Korpalski, County Engineer and McHenry County Highway Department Staff; 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 Ms. Donner, to recommend approval of the minutes of the Finance & Audit Committee meeting of March 6, 2010. The minutes were approved as submitted with a unanimous voice vote of all ayes.

Chairman Koehler made the sad announcement that Dick Klemm had passed away last night. Mr. Klemm will be missed. Chairman Koehler stated specific details on services will be provided when they are known.

PUBLIC COMMENT: None.

PRESENTATION: None.

OLD BUSINESS:

*Update of Equity One Sports Recovery Zone Facility Board Application:* The Committee was joined by representatives from Equity One and the City of Woodstock. Mr. Houser from Equity One reviewed background information on the proposed project, noting he first came before the Committee in August of last year and since that time has been working with the City of Woodstock and a financial institute to move this project forward. The project will be fully funded as a private venture. The market last year was not favorable for the sale of bonds, but has since opened for such sales to take place. The major tenant of the proposed facility will be a professional baseball team from the Frontier League which consists of 14 teams. There will also be other venues including trade shows, concerts and sporting events. It may also be the new home for the McHenry County Fair organization. Setting will include party decks, private tables and a grassy area. Artificial turf and a state of the arts drainage system will allow a scheduled sporting event to take place immediately following a storm. Parking will be available for 2,000 cars. It was also reported that Metra is looking at this site for a new station location; this would provide another means of transportation to the complex along with additional parking. The current goal of Metra is to have an operational station at this location by 2015. The environmentally sensitive areas, which include wetlands and oak and hickory savannahs, have been addressed. The property is in the City of Woodstock; therefore the City of Woodstock will have oversight of this project. It was noted that constituents have raised concerns with the use of tax dollars for this project. In response, it was explained that no tax dollars for this project would be used, funding for the project will be through the sale of tax exempt bonds and tax payers are not at risk. It was also noted that the financial institute underwriting the project is confident in placing the bonds. Mayor Sager, City of Woodstock, entered the conversation and stated that the City of Woodstock fully supports this project after a tremendous amount of review. The project is unique with the involvement of several partners to make this a reality. The facility will offer multiple venues and is seen as an asset to the County and a gateway to the City of Woodstock. This project should be supported as a collaborative effort that brings an anchor to the community. Chairman Munaretto explained that the County was awarded 27.5 million dollars under the Recovery Zone Volume Cap of which all but 4.1 million dollars have been committed to other projects. He stated that the County designated \$18,000,000 of Recovery Zone allocation to Sportsplex in January of this year, but some required documents to move forward with their project have not yet been received. He noted that Sportsplex has indicated such documents would be forthcoming within the next week or so. He stated he would like to set a two-week deadline for receipt of all requested documents from Sportsplex. If such information is not received, then the County could rescind the Resolution approved in January. Chairman Munaretto went on to report that he recently meet with the Upper Illinois River Valley Development Authority (UIRVDA) and they have expressed their willingness to provide funding though their allocation of Volume Cap dollars as an alternative funding source. He cautioned that this funding source would not be available until October of this year. Project representatives stated that they would like to be able to move

forward with the project in August of this year so to be able to meet the start of the 2011 season in May. Construction on the project would not be possible in the winter, so beginning in October would present a problem. Chairman Munaretto stated that more details would be available in two weeks. He stated he did not want to close any options at this time. He also noted he would discuss with UIRVDA if there would be other funding options. Members agreed to revisit this issue within the next two weeks with a possible Resolution for consideration at the April 6, 2010 County Board meeting.

NEW BUSINESS: *Resolution appointing Board of Review Hearing Officers:* Ms. Hill made a motion, seconded by Mr. Breeden, to recommend the County Board approve a Resolution to reappoint Robin Brunshon and Mary Mahady to the Board of Review. The motion carried with six ayes (Breeden, Hill, Hammerand, Orphal, Ryan and Munaretto). Ms. Donner had left the room during this roll call vote.

*Discussion concerning suspending the County's use of the RTA Sales tax money until the legislation which may require the County Board to opt in or out is either passed or defeated in Springfield:* The Committee was joined by McHenry County Department of Transportation staff to discuss RTA tax concerns. Chairman Munaretto stated that pending dilemma involves a bill presented to the State Legislation by State Representative Jack Franks and if passed each County would need to vote to support or not support the quarter percent RTA sales tax. This being an election year voting to support this issue could be a problem for some. It was noted that the County has already collected 8 million dollars that have been committed to various road projects. This on-going source of revenue would disappear without support and projects would go unfunded. A larger concern would be the leverage of Federal funds which would cut an additional 41% of funding. The point of this discussion is to become aware of the possible loss of this funding source and to take a look at the various highway improvement plans to see how this would impact such projects. Such a loss in funding would mean a complete turn-around in proposed highway projects. If funds were not available, projects and priorities would need to be re-evaluated. After discussion, it was agreed to re-visit projects at this point would be costly and premature. It was also noted that more information would be available after tomorrow's scheduled meeting in Springfield with Metro Counties.

OLD BUSINESS (continued): *Foreign Trade Zone Alternative Site Designation – Discussion:* Mr. Labaj reported that all but the southeastern portion of the County is currently a member of the Greater Rockford Area Foreign-Trade Zone No. 176. He stated the County could have a dual foreign-trade zone service area by joining Zone No. 22 which would cover the entire County including the southeastern corner. To do so, Chairman Koehler would need to sign a letter indicating that McHenry County does wish to be part of the Illinois International Port District Foreign-Trade Zone No. 22. The dual Service Area would provide the benefit of flexibility to business trade related needs. After discussion, the Committee consensus was to send the letter to support the County inclusions within the Foreign-Trade Zone No. 22.

REPORTS TO COMMITTEE: *Auditor's Report:* Ms. Palmer distributed the fifth part of her the eight-part series on the Auditor's Office. This section addressed Capital Assets and how the Department inventories and tracks these assets. She reported that GASB 51, a new Governmental Accounting Standard will be effective for our year ending November 30, 2010. GASB 51 will require the classification of all intangible assets as capital assets. This will include right-of-way easements, water rights, land or property use rights and computer software. She also noted that future plans for the department include a review of the current Fixed Asset Policy, work on GASB 51 requirements and a review on Capital Assets obtained through grants.

*Contingency Reports:* None.

*Economic Development Corporation:* An update was provided to the County Board on March 16<sup>th</sup>.

*Convention & Visitors Bureau:* The CVB is now Twitter and Facebook literate.

EXECUTIVE SESSION: None

ADJOURNMENT

Noting no further business, Ms. Hill made a motion, seconded by Ms. Donner, to adjourn the meeting at 11:10 a.m. The motion carried with a unanimous voice vote.

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**RECOMMENDED FOR BOARD ACTION:**

Resolution to reappoint Robin Brunshon and Mary Mahady to the Board of Review