

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

MINUTES OF TUESDAY, AUGUST 30, 2005

Vice-Chairman Gilman called the meeting to order at 8:19 a.m. The following Committee Members were present: Ann Gilman, Vice-Chairman; John Hammerand; Ann Kate; Marie Chmiel; Ann Gilman; Don Brewer; and Perry Moy. Marc Munaretto arrived at 8:38 a.m. Also in attendance: John Labaj, Deputy County Administrator; Ralph Sarbaugh, Associate County Administrator-Finance; Peter Austin, County Administrator; Pam Palmer and Jim Bernier, Auditor's Office; Bill LeFew, Treasure; Glenda Miller, Treasure's Office; Donna Mayberry, Supervisor of Assessments; Rich Weinhandle, Tom Svoboda and Gene Lowery, Sheriff's Department; Tom Sullivan, I.T.; Catherine Link, Purchasing Department; and the press.

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| Marc Munaretto, Chairman | |
| Don Brewer | Marie Chmiel |
| Ann Gilman | John Hammerand |
| Ann Kate | Perry Moy |

MINUTES

Mr. Hammerand made a motion, seconded by Ms. Chmiel, to approve the Finance and Audit Committee August 9, 2005 minutes. Ms. Kate asked that the minutes be amended to reflect on the list of Board items that the Resolution regarding the Mental Health Board's retired director will be submitted to the County Board as a minority report. The minutes were approved as amended with a unanimous voice vote.

PUBLIC PARTICIPATION

None

NEW BUSINESS

FY 05-06 Budget Hearings: Assessor – Ms. Mayberry reviewed the highlights and goals for her department along with supplemental requests. Part of the goals will include continued training of office personnel and completion of Bulletin 810 which addresses farmland assessments. Bulletin 810 is a State mandate that must be implemented in 2006. Farmland assessments will be conducted using new indices measuring soil survey by use of the GIS. Farmland assessments were previously based on productivity index. This new method may mean a drop in farmland assessment that may affect taxing districts that rely heavily on farmland assessments. Ms. Mayberry expressed the need to have a more secure network for the GIS system to protect the data and to allow the sharing of data in a safe environment. Ms. Mayberry also reported that her staff has put together an exciting snow plow tracking website which has been well received at various presentations. Supplemental requests for the Assessor were: (1) two Assessment Technicians; (2) GIS maintenance software; (3) Scanning software; (4) an increase in the per diem for Alternate Board of Review Hearing Officers; and (5) GIS robust servers, software and storage space. After a discussion, Mr. Brewer made a motion, seconded by Mr. Moy, to accept the proposed FY 05/06 budget of the Assessor as presented. The motion carried with all members present voting aye on a roll call vote (Gilman, Brewer, Chmiel, Hammerand, Kate, Moy and Munaretto).

Treasurer – Mr. LeFew addressed the Committee and reported that his department has submitted a "clean" budget with no supplemental requests. Ms. Gilman made a motion, seconded by Mr. Brewer, to accept the proposed FY 05/06 budget of the Treasurer. The motion carried with all members present voting aye on a roll call vote (Gilman, Brewer, Chmiel, Hammerand, Kate, Moy and Munaretto).

Resolution authorizing monthly transactions for the Delinquent Tax Program: Ms. Gilman made a motion, seconded by Ms. Kate, to recommend the County Board approve a Resolution authorizing monthly transactions of the Delinquent Tax Program. The motion carried with all members present voting aye on a roll call vote (Brewer, Chmiel, Hammerand, Kate, Moy, Gilman and Munaretto).

Resolution authorizing an emergency appropriation in the Building Operations Valley-Hi Maintenance FY 04-05 budget for cooling tower circuit board repair: Mr. Moy made a motion, seconded by Ms. Chmiel, to recommend the County Board approve a Resolution authorizing an emergency appropriation in the Building Operations Valley-Hi Maintenance FY 04-05 budget for cooling tower circuit board repair. Mr. Sarbaugh explained that this is request is to fund the replacement of the electrical panel that runs the tower. The current panel is absolute. The motion carried with all members present voting aye on a roll call vote (Brewer, Chmiel, Hammerand, Kate, Moy, Gilman and Munaretto).

Resolution authorizing a budget line item transfer in the Valley-Hi Building Project FY 04-05 budget: Ms. Gilman made a motion, seconded by Ms. Chmiel, to recommend the County Board approve a Resolution authorizing a budget line item transfer in the Valley-Hi Building Project FY 04-05 budget. The motion carried with all members present voting aye on a roll call vote (Brewer, Chmiel, Hammerand, Kate, Moy, Gilman and Munaretto).

Resolution authorizing the appointment of Catherine Link to the position of Director of Purchasing: This item was pulled from the agenda.

Resolution authorizing alternate Board of Review appointments: Mr. Brewer made a motion, seconded by Mr. Hammerand, to recommend the County Board approve a Resolution authorizing alternate Board of Review appointments. It was noted that these are all reappointments. The motion carried with all members present voting aye on a roll call vote (Brewer, Chmiel, Hammerand, Kate, Moy, Gilman and Munaretto).

Resolution authorizing a budget line transfer of \$47,091 for a capital expense: Mr. Brewer made a motion, seconded by Mr. Moy, to recommend the County Board approve a Resolution authorizing a budget line transfer of \$47,091 in the Sheriff's FY 05 budget. Mr. Weinhandl explained that this Resolution will provide funding to complete the installation of a ticket writing software system in the Sheriff's patrol fleet. The motion carried with all members present voting aye on a roll call vote (Brewer, Chmiel, Hammerand, Kate, Moy, Gilman and Munaretto).

Resolution authorizing an extension to the contract to Aramark Correctional Services, Inc. for food service for the correctional facility: Mr. Moy made a motion, seconded by Ms. Kate, to recommend the County Board approve a Resolution authorizing an extension to the Contract to Aramark Correctional Services, Inc. for food service for the correctional facility. Ms. Gilman questioned the use of "Chinese meals" and suggested rewording to "ethnic meals." Mr. Svoboda explained that the cost of providing Chinese meals is slightly higher than other meals and often these individuals are unable to immediately eat the regular type of menu. After a discussion, the motion carried with all members present voting aye on a roll call vote (Brewer, Chmiel, Hammerand, Kate, Moy, Gilman and Munaretto).

Resolution authorizing a contract for healthcare services for the correctional facility to Correct Care Solutions: Mr. Brewer made a motion, seconded by Mr. Moy, to recommend the County Board approve a Resolution authorizing a contract for healthcare services for the correctional facility to Correct Care Solutions. Five bids were received and after checking references Correct Care Solutions met all criteria and had outstanding references. Members asked how contagious individuals would be handled. Chief Svoboda reported that the third floor will have four negative air-flow rooms to separate these people. Ms. Gilman suggested that the jail work closely with the Health Department and raised two concerns with the possible spread of: (1) SARS; and (2) Bird Flu. Chief Svoboda responded that each detainee must complete a questionnaire which help to reveal possible cases of SARS. Such a questionnaire has not yet been developed for the Bird Flu. After the discussion, a roll call vote was called. The motion carried with all members present voting aye (Brewer, Chmiel, Hammerand, Kate, Moy, Gilman and Munaretto).

Resolution authorizing a contract agreement with McHenry County Peace Officers – Unit I: Mr. Brewer made a motion, seconded by Ms. Gilman, to recommend the County Board approve a Resolution authorizing a contract agreement with McHenry County Peace Officers – Unit I. The motion carried with all members present voting aye on a roll call vote (Brewer, Chmiel, Hammerand, Kate, Moy, Gilman and Munaretto).

Resolution authorizing a contract agreement with McHenry County Correctional Officers – Unit II: Ms. Gilman made a motion, seconded by Mr. Hammerand, to recommend the County Board approve a Resolution authorizing a contract agreement with McHenry County Correctional Officers – Unit II. The motion carried with all members present voting aye on a roll call vote (Brewer, Chmiel, Hammerand, Kate, Moy, Gilman and Munaretto).

Discussion of GASB 40: Ms. Palmer, Mr. Bernier and Mr. LeFew provided an overview of GASB 40 which is an expansion of GASB 3 as it relates to disclosures for investment securities and overall security risks. Mr. LeFew reported that his department will be able to produce these records from monthly reports that are generated in his office. He noted that County funds are only deposited into banks that have the highest rating. All deposits are collateralized solely in our name and are held at 100% off-premise.

Discussion of Payroll procedures: Chairman Munaretto asked that this item be put on the agenda as a future topic of discussion.

Insurance Renewal Program for 2006: Mr. Labaj presented Committee members with estimated FY06 insurance program costs. He reported that there has been a coverage change for nursing homes, which now will be based on "claims made." He stated that the insurance market has softened allowing for an estimated increase of only 5% for the year. Mr. Labaj stated he is expecting the insurance quotes to be received in October and he would bring this forward for approval at that time. This report was provided for information only with no Committee action needed.

EXECUTIVE SESSION

None.

OLD BUSINESS

None.

REPORTS TO COMMITTEE

Mr. Austin and Mr. Sarbaugh provided an update to the FY 05/06 budget process. The schedule is on-track and a preliminary FY 05/06 budget and supplemental recommendations will be presented at the September 27, 2005 meeting.

Contingency Reports: Mr. Sarbaugh submitted the following reports: (1) General Fund – Contingency Account, statement of activity as of 8/30/05 (after payment to the Convention and Visitors Bureau the remaining balance will be \$151,785.98); (2) Valley-Hi Building Project, Statement of Activity as of 8/30/05 (no change); (3) Courthouse Remodeling Statement of Activity as of 8/30/05 – unchanged; and (4) Jail Buildout Statement of Activity as of 8/30/05 (balance of \$320,943.22).

ADJOURNMENT

Noting no further business, Mr. Moy made a motion, seconded by Ms. Kate, to adjourn the meeting at 10:14 a.m. The motion carried with a unanimous voice vote.

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RECOMMENDED FOR BOARD ACTION:

- Approve a Resolution authorizing monthly transactions of the Delinquent Tax Program
- Approve a Resolution authorizing an emergency appropriation in the Building Operations Valley-Hi Maintenance FY 04-05 budget for cooling tower circuit board repair
- Approve a Resolution authorizing a budget line item transfer in the Valley-Hi Building Project FY 04-05 budget
- Approve a Resolution authorizing alternate Board of Review appointments
- Approve a Resolution authorizing a budget line transfer of \$47,091 in the Sheriff's FY 05 budget
- Approve a Resolution authorizing an extension to the Contract to Aramark Correctional Services, Inc. for food service for the correctional facility
- Approve a Resolution authorizing a contract for healthcare services for the correctional facility to Correct Care Solutions
- Approve a Resolution authorizing a contract agreement with McHenry County Peace Officers – Unit I
- Approve a Resolution authorizing a contract agreement with McHenry County Correctional Officers – Unit II