

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

MINUTES OF TUESDAY, SEPTEMBER 27, 2005

Chairman Munaretto called the meeting to order at 9:50 a.m. The following Committee Members were present: Marc Munaretto, Chairman; Ann Gilman; John Hammerand; Marie Chmiel; Ann Gilman; Ann Kate; and Perry Moy. Don Brewer was absent. Also in attendance: John Labaj, Deputy County Administrator; Ralph Sarbaugh, Associate County Administrator-Finance; Peter Austin, County Administrator; Donna Mayberry, Supervisor of Assessments; Tom Sullivan, I.T.; Ruth Rooney, Auditor; Katherine Schultz, County Clerk; Rich Weinhandle, Sheriff's Department; Cathy Link, Purchasing; Ken Koehler, County Board Chairman; interested public; and the press.

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

MINUTES

Mr. Moy made a motion, seconded by Ms. Kate, to approve the Finance and Audit Committee September 12, 2005 minutes. The minutes were approved as presented with a unanimous voice vote.

PUBLIC PARTICIPATION

None

TRUTH AND TAXATION HEARING

Chairman Munaretto reported that the Truth and Taxation Hearing had been properly posted and noticed in the local newspaper. He opened the Truth and Taxation Hearing and read the following statement:

“In full compliance with the Illinois Truth in Taxation law, the County of McHenry has determined that it is considering a budget and appropriation for FY 2005-2006 that will require aggregate property taxes to be extended that will exceed 5% of the amount of property taxes extended for the FY 2004-2005 budget appropriation.

Upon this determination, and also in compliance with the Truth in Taxation laws, the County of McHenry caused to be published in the appropriate local newspaper, in the prescribed format, and within the required timeframe, a public notice of the County's intent to adopt an aggregate levy for FY 2005-2006 in an amount which is not more than 13.24% for the amount extended or estimated to be extended for FY 2004-2005 and of its intent to hold a public hearing relative thereto. A copy of the notice and publication certification is available for review.

This hearing is open to the public and is being held to explain the County's position and to hear testimony from members of the public regarding the County's intent to adopt such an increase in the aggregate levy at the County Board meeting scheduled for November 15, 2005. Reasonable time limits shall be imposed for all presentations.”

Chairman Munaretto stated that anyone wishing speak during this hearing could do so at this time. After a brief time period, Chairman Munaretto stated that since there was no one wishing to speak, Truth and Taxation Hearing was formally closed.

NEW BUSINESS

Resolution authorizing an emergency appropriation and budget line item transfer to the Division of Transportation FY 2005 budget: Mr. Hammerand made a motion, seconded by Ms. Gilman, to recommend the County Board approve a Resolution authorizing an emergency appropriation and budget line item transfer in the Division of Transportation FY 2005. The motion carried with all members present voting aye on a roll call vote (Chmiel, Hammerand, Moy, Kate, Gilman and Munaretto).

Resolution authorizing a budget line item transfer in the FY 04/05 non-departmental budget: Ms. Gilman made a motion, seconded by Mr. Moy, to recommend the County Board approve a Resolution authorizing a budget

line item transfer in the FY 04/05 non-departmental budget. The motion carried with all members present voting aye on a roll call vote (Chmiel, Hammerand, Moy, Kate, Gilman and Munaretto).

Approval of FY 05/06 supplemental requests for all departments: Mr. Austin distributed a list of supplemental requests for FY 05/06 with administrative rankings. He also submitted a second list for a recommended distribution of anticipated new funds that will be available for the FY 06 budget of \$3,000,000 which included: GIS expansion; circuit costs; courthouse remodeling; archives/business continuity; and capital fund. Members reviewed the list and recommended supplemental requests. Ms. Gilman asked that the Committee discuss the Auditor's request for a salary adjustment for the Chief Deputy Auditor. She stated that the Human Resources Department had discussed this request and had asked that it be forwarded to the Finance and Audit Committee. Mr. Austin reported that the Human Resources Committee did not make a final decision, but recommended a salary range of \$62,000 to \$64,000. Ms. Chmiel stated she would not be voting on this issue as she felt there may be a conflict since she has applied for the Auditor position. It was reported that the last salary increase for the Chief Deputy Auditor had been a merit increase in December, 2004. Ms. Kate supported the recommendation of the Human Resources Committee. Ms. Gilman asked if the County could pass a resolution making the Auditor position an appointed position. Chairman Munaretto felt that this was not an issue for this Committee to decide. Mr. Austin felt such a decision may be better addressed by the Chairman's Advisory Legislative Forum. Ms. Kate noted that Auditor's Department does come under the Finance and Audit Committee. Chairman Munaretto commented that such a change needs to come from the "top" down and decision needs to be made as to how the Auditor's position fits into the County's scope of service. Noting that she would be able to vote on this issue, Ms. Chmiel stated that when looking at this salary request and comparing it with other "deputy" positions many factors need to be considered, some of which include education, experience, job responsibilities and what the current market is paying. She noted that she did not understand the disparity in pay nor did she have a market comparison to review. She stated that she would like to send this request back to the Human Resources Committee and request additional information. Chairman Munaretto commented that the County has a wage and salary program and a method to deal with these issues. He reminded the Committee that it is not up to this Committee to manage personnel, noting that this Committee's duty is to make sure funding is available. Ms. Rooney addressed the Committee and stated that when the Senior Accountant was hired the County Administrator at that time was going to request a salary increase for the Chief Deputy Auditor. Ms. Rooney pointed out the responsibilities of the Chief Deputy Auditor encompass more than just office personnel. She also reviewed the educational background of the current Chief Deputy Auditor. Ms. Chmiel recommended waiting until a new Auditor "comes on board" before making a decision on this salary request. Chairman Munaretto suggested that this request be returned to the Human Resources Committee. County Board Chairman Koehler reported that he had attended the Human Resources Committee and that Committee did make a recommendation for a salary range of \$62,000 to \$64,000. Ms. Gilman then made a motion, seconded by Mr. Moy, to recommend a salary of \$63,000 for the Chief Deputy Auditor. Ms. Chmiel commented that "we can't just split the difference." After which, Ms. Chmiel made a motion to amend Ms. Gilman's motion to approve a salary of \$64,000 for the Chief Deputy Auditor. Ms. Chmiel's motion to amend failed for lack of a second. A roll call vote on the original motion was called. The motion passed with five ayes (Gilman, Hammerand, Moy, Kate and Munaretto) and one nay (Chmiel).

Ms. Gilman made a motion, seconded by Mr. Moy, to approve the recommended (items noted as #1 on the list) supplemental requests as amended. Mr. Hammerand questioned landscaping services. Mr. Moy responded that this item allows for the maintenance of County landscaping, which the Building Operations Department is unable to handle. Ms. Gilman asked if this also includes snow plowing. Ms. Link responded that this option was included in the bidding process. It was also noted that the amount budgeted to address gypsy moth spaying appears to be enough. After a discussion, the motion carried on a roll call vote of all ayes (Hammerand, Moy, Kate, Gilman, Chmiel and Munaretto).

FY 05/06 budget process: Mr. Sarbaugh reported that the budget will go on public display on October 18, 2005 rather than the previous date of October 4, 2005. This will not impact the anticipated date of November 15, 2005 for County Board approval of the budget.

Chairman Munaretto asked that the Committee review two proposed Resolutions. One regarding the State's Attorney's cost of living adjustment and the other for the Public Defender's salary adjustment. After a discussion, the Committee consensus was to direct Mr. Austin to include these two Resolutions on the County Board Agenda for October 4, 2005 under new and unfinished business.

EXECUTIVE SESSION

None.

OLD BUSINESS

None.

REPORTS TO COMMITTEE

Mr. Sarbaugh explained these reports will be available at the next meeting. He stated there has been no change in the Valley-Hi or Courthouse Remodeling funds. Chairman Munaretto added that the sales tax continues to increase with the expansion in commercial development. He also reported that he had talked with Eric Anderson regarding the bonds and Mr. Anderson did not see any reason to make any changes at this time.

Chairman Munaretto reported that the Auditor will make a presentation on the internal audit program during the next meeting.

Ms. Gilman asked if the Auditor's position could be added to the next agenda or as a future topic. Chairman Munaretto agreed that it is an issue worthy of further investigation but felt the Chairman's Advisory Legislative Forum should address these concerns. Mr. Austin stated he could prepare a report along with options regarding this position.

Mr. Sarbaugh asked that future topics include a discussion of a budget for vehicles that need to be replaced due to an accident or if these should continue to be included under Risk Management. Chairman Munaretto stated that the Committee is willing to discuss this issue today. He noted that currently the funding for replacement of vehicles that have been "totaled" due to an accident is through the TORT fund, which appears to be a reasonable source. The other option would be to implement a budget to cover said replacements. The current deductible is \$250,000. Members agreed that the TORT fund should be used. Committee consensus was to direct staff to develop a policy for the Committee to review and memorialize through proper approval procedures.

ADJOURNMENT

Noting no further business, Mr. Moy made a motion, seconded by Mr. Hammerand, to adjourn the meeting at 10:40 a.m. The motion carried with a unanimous voice vote.

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RECOMMENDED FOR BOARD ACTION:

Approve a Resolution authorizing an emergency appropriation and budget line item transfer in the Division of Transportation FY 2005

Approve a Resolution authorizing a budget line item transfer in the FY 04/05 non-departmental budget

By Committee consensus, include on the 10/4/05 County Board Agenda under New & Unfinished Business –

A Resolution authorizing a cost of living adjustment to the State's Attorney's salary and an emergency appropriation in the State's Attorney's FY 2005 budget

A Resolution authorizing an adjustment to the Public Defender's annual salary and an emergency appropriation in the Public Defender's FY 2005 budget