

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

MINUTES OF TUESDAY, JULY 8, 2008

Committee Chairman Marc Munaretto called the meeting to order at 9:35 a.m. The following Committee Members were present: Marc Munaretto; Marie Chmiel; John Hammerand; and Daniel Ryan. Tina Hill and Barbara Wheeler arrived at 9:40 am. Lyn Orphal was absent. Also in attendance: Ralph Sarbaugh, Associate County Administrator – Finance; Cindy Kozlowski, Financial Analyst; John Labaj, Deputy County Administrator; Peter Austin, County Administrator; Kathie Schultz, County Clerk; and the press.

Marc Munaretto, Chairman	
Marie M. Chmiel	John Hammerand
Tina Hill	Lyn Orphal
Daniel P. Ryan	Barbara Wheeler

MINUTES

Mr. Ryan made a motion, seconded by Ms. Chmiel, to recommend approval of the July 1, 2008 Finance and Audit Committee minutes. Ms. Chmiel asked that the section on the Valley-Hi rate resolution be amended to indicate a three-step process rather than a two-step process. She also stated she would like the Finance and Audit Committee to review these rates prior to her leaving office in November. Chairman Munaretto noted that the Resolution presented to the County Board was the same as what was approved by the Valley-Hi Committee and the Finance and Audit Committee. He was unsure why discussion at the County Board had indicated that the Valley-Hi Committee had requested additional information on rates for other facilities. Mr. Austin commented that the Valley-Hi Committee did review five different rates at their May meeting after which the Committee directed staff to draft a resolution for consideration in June. After reviewing the issues, staff drafted such a resolution with a three step process that would bring Valley-Hi rates closer to the current market rate. At the June meeting Valley-Hi Committee unanimously approved the Resolution after a brief discussion of rates.

Ms. Hill and Ms. Wheeler arrived at 9:40 am.

Chairman Munaretto noted that the Finance and Audit Committee should have the responsibility and authority to oversee the financial aspects at Valley-Hi and there needs to be some alignment between the Committees. Ms. Hill agreed and added there are a number of anecdotal stories coming out that may be a factor in the decision. During the discussion, Ms. Chmiel also noted that there will soon be a new Valley-Hi Administrator.

Chairman Munaretto asked for a voice vote on the motion to approve the minutes of July 1, 2008. The minutes were approved as amended with a unanimous voice vote of all ayes.

PUBLIC COMMENT: None

PRESENTATION: None

NEW BUSINESS

Resolution authorizing an increase in the Marriage License Fees per Illinois Public Act 95-0711: Mr. Ryan made a motion, seconded by Ms. Chmiel, to recommend the County Board approve a Resolution authorizing an increase in the Marriage License Fees per Illinois Public Act 95-0711. Ms. Schultz reported that the fee increase is mandated by the State and this Resolution is to record this change. Members questioned if such a mandate needs County Board approval. Chairman Munaretto responded that it makes sense to memorialize and properly record the change. After discussion, a roll call vote was called. The motion carried with four ayes (Ryan, Wheeler, Chmiel and Munaretto) and two nays (Hammerand and Hill).

Resolution authorizing entering into a two and half year agreement with the Illinois State Geological Survey and an emergency appropriation to the non-departmental FY 08 budget: Noting that the Management Services Committee had tabled this item to provide for additional time to read documents submitted to the Committee, Chairman Munaretto stated the Finance and Audit Committee would also table this item until their July 22, 2008 meeting.

Resolution authorizing increasing the mileage reimbursement rate effective August 1, 2008: Mr. Ryan made a motion, seconded by Ms. Chmiel, to recommend the County Board approve a Resolution authorizing increasing

the mileage reimbursement rate effective August 1, 2008. The motion carried with all members present voting aye on a roll call vote (Hammerand, Hill, Ryan, Wheeler, Chmiel and Munaretto).

Resolution authorizing a contract for agent/broker insurance services with Market Financial Group, Ltd.: Ms. Chmiel made motion, seconded by Ms. Hill, to recommend the County Board approve a Resolution authorizing a contract for agent/broker insurance services with Market Financial Group, Ltd. Mr. Labaj provided additional information on the vendors, noting that Market Financial was the winner bidder. This group has served the County since 2002. Chairman Munaretto asked that staff try to get all information in the Committee's packet instead of distributing information at the meetings. He stated this gives members time to review the issue and frame their questioning accordingly. After discussion, a roll call vote was called. The motion carried with all members present voting aye (Hammerand, Hill, Ryan, Wheeler, Chmiel and Munaretto).

Resolution authorizing the appointment of judges of election: Ms. Hill made a motion, seconded by Ms. Chmiel, to recommend the County Board approve a Resolution authorizing the appointment of judges of election. Ms. Schultz stated the appointment of judges of election must be made every two years during the month of July. The motion carried with a unanimous voice vote of all ayes.

Revolving Loan Fund – Kiddie Campus Inc.: Mr. Labaj asked that this item be tabled until the next meeting. He reported that the underwriting is being conducted by the Banking Committee of the McHenry County Economic Development Corporation and is not yet completed.

OLD BUSINESS: None

REPORTS TO COMMITTEE:

Mr. Sarbaugh submitted the Special Fund Revenues – Quarterly Report for the period ending May 31, 2008. He reviewed the report and noted there are some anomalies that need further research and analysis. He noted that tax stamp sales are back to the 2000 level due to the current housing slump. He stated it is important to be cautious at this point, noting that we are not gaining. He pointed out that the Sheriff's fuel line item will be depleted by the end of this month and the County needs to strategically position itself to be able to get through the next six months. Chairman Munaretto agreed that today's picture is not rosy and the challenge is to be forward thinking in the next six months to be prepared for the end of the year. Mr. Austin reported that the vehicle policy is being looked at and department heads and elected officials have been asked to make sure all trips are necessary and to keep such trips to the minimum if possible. Mr. Sarbaugh noted that the report indicates that operational expenses are down and departments are doing a good job of maintaining their costs. The Contingency Report was also distributed for committee review.

Ms. Palmer stated she had nothing to report at this time. Chairman Munaretto noted that he would be meeting with Ms. Palmer following today's meeting to review her office's quarterly report that may be submitted to the Committee at the next meeting.

EXECUTIVE SESSION: None.

ADJOURNMENT

Noting no further business, Mr. Hammerand made a motion, seconded by Ms. Wheeler, to adjourn the meeting at 10:20 a.m. The motion carried with a unanimous voice vote.

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RECOMMENDED FOR BOARD ACTION:

- Resolution authorizing an increase in the Marriage License Fees per Illinois Public Act 95-0711
- Resolution authorizing increasing the mileage reimbursement rate effective August 1, 2008
- Resolution authorizing a contract for agent/broker insurance services with Market Financial Group, Ltd
- Resolution authorizing the appointment of judges of election

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