

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

MINUTES OF TUESDAY, FEBRUARY 24, 2009

Committee Chairman Marc Munaretto called the meeting to order at 9:30 a.m. The following Committee Members were present: Marc Munaretto; Scott Breeden; Mary Donner; Tina Hill; and Lyn Orphal. John Hammerand arrived at 8:45 a.m. and Dan Ryan arrived at 8:48 a.m. Also in attendance: John Labaj, Deputy County Administrator; Peter Austin, County Administrator; Pam Palmer, Auditor; Adam Lehman, Administrative Intern; Pat McNulty, Health Department; Bob Ivetic, Human Resources; Nichole Gattuso, GIS; Jeff Young and Jason Osborn, McHenry County Division of Transportation; and interested public.

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 February 10, 2009 Finance and Audit Committee minutes. The minutes were approved as submitted with a unanimous voice vote of all ayes.

PUBLIC COMMENT: None.

PRESENTATION:

McHenry County Division of Transportation (McDOT): Chairman Munaretto noted that as part of the committee's work-plan to expand relationships with McDOT, Mr. Young and Mr. Osborn are joining the committee to review the RTA tax component as it relates to the Transportation Plan. Mr. Osborn reviewed a pie-chart of estimated expenditures for highway improvement programs planned through the year 2030 and the use of RTA sales tax allocations. He pointed out that projects can take from 10 to 15 years before completion. The RTA tax goes toward pavement preservation which is estimated to be approximately 43% of the expenditure budget. This is a vital component as it increases the overall life of roadways. Core aspects which include stripping, signage, vegetation, lighting systems power, etc. are also an essential part of expenditures. In response to questions regarding the proposed western bypass, it was noted that this is a state project and is dependent on the state for funding. The primary objective of the RTA sales tax is to provide funding for transit projects, which addresses public transportation. The Senior Services Grant Commission also provides funding for transit services for seniors. After discussion, Chairman Munaretto thanked Mr. Young and Mr. Osborn for their report. He stated that future meetings will include an analysis of the fifty million dollars approved to supplement current projects and a review of MFT funds. Mr. Young stated that with Mr. Osborn's efforts, the DOT has been able to look at funding alternatives and evaluate more detailed information and options on future projects.

NEW BUSINESS

Resolution authorizing a budget line item transfer in the FY 08 budget – Valley-Hi: Ms. Orphal made a motion, seconded by Mr. Ryan, to recommend the County Board approve a Resolution authorizing a budget line item transfer in the FY 08 budget – Valley-Hi. Mr. Sarbaugh reported that these closeout expenditures are required to book entries according to Generally Accepted Accounting principles and require no cash disbursements. This specific resolution will allow for the posting of final expenditures for a 2008 Valley Hi electricity bill. On a roll call vote, the motion carried with all members present voting aye (Breeden, Ryan, Donner, Hammerand, Hill, Orphal and Munaretto).

Resolution authorizing a budget line item transfer and an emergency appropriation in the FY 08 budget – Risk Management: Ms. Orphal made a motion, seconded by Mr. Ryan, to recommend the County Board approve a Resolution authorizing a budget line item transfer and an emergency appropriation in the FY 08 budget – Risk Management. Mr. Sarbaugh explained that the County is required to post projected "incurred but not reported" settlement claims on outstanding litigation which the County is currently involved in. On a roll call vote, the motion carried with all members present voting aye (Breeden, Ryan, Donner, Hammerand, Hill, Orphal and Munaretto).

Resolution authorizing a budget line item transfer in the FY 08 budget – Workforce Network: Ms. Hill made a motion, seconded by Mr. Ryan, to recommend the County Board approve a Resolution authorizing a budget line item transfer in the FY 08 budget – Workforce Network. Mr. Sarbaugh reviewed the proposed Resolution which would allow for the posting of the unemployment insurance expense incurred during FY 08. After discussion, a roll call vote was called. The motion carried with all members present voting aye (Breedon, Ryan, Donner, Hammerand, Hill, Orphal and Munaretto).

Resolution authorizing acceptance of a \$25,000 Community Development Block Grant and an emergency appropriation to the Dental Care Clinic fund for FY 09 budget: Ms. Donner made a motion, seconded by Ms. Orphal, to recommend the County Board approve a Resolution authorizing acceptance of a \$25,000 Community Development Block Grant and an emergency appropriation to the Dental Care Clinic fund for FY 09 budget. Mr. McNulty stated that these funds would be used in the dental clinic to replace telephones and other components to improve the phone system. The \$10,000 match will be addressed through in-kind services. On a roll call vote, the motion carried with six ayes (Breedon, Donner, Hammerand, Hill, Orphal and Munaretto). Mr. Ryan was not in the room during the roll call vote.

Resolution authorizing acceptance of a \$4,000 Illinois Public Health Institute Grant and an emergency appropriation to the Health Department's FY 09 budget: Ms. Orphal made a motion, seconded by Mr. Breedon, to recommend the County Board approve a Resolution authorizing acceptance of a \$4,000 Illinois Public Health Institute Grant and an emergency appropriation to the Health Department's FY 09 budget. This is a new grant which will provide funding for a training program for quality improvement. On a roll call vote, the motion carried with all members present voting aye (Breedon, Ryan, Donner, Hammerand, Hill, Orphal and Munaretto).

Resolution authorizing acceptance of \$5,000 in additional grant funding from the Illinois Department of Public Health to conduct a West Niles virus mosquito surveillance program and an emergency appropriation to the Health Department's FY 09 budget: Ms. Donner made a motion, seconded by Mr. Breedon, to recommend the County Board approve a Resolution authorizing acceptance of \$5,000 in additional grant funding from the Illinois Department of Public Health to conduct a West Niles virus mosquito surveillance program and an emergency appropriation to the Health Department's FY 09 budget. This provides additional funding for the 2-year West Niles Virus program. Funds will be used to purchase supplies to support the program. On a roll call vote, the motion carried with all members present voting aye (Breedon, Ryan, Donner, Hammerand, Hill, Orphal and Munaretto).

Resolution authorizing a contract agreement between the International Union of Operating Engineers, Local 150, Facilities Management Department and the County of McHenry: Ms. Orphal made a motion, seconded by Mr. Ryan, to recommend the County Board approve a Resolution authorizing a contract agreement between the International Union of Operating Engineers, Local 150, Facilities Management Department and the County of McHenry. Mr. Ivetic provided an overview to the contract. He stated this is a 4-year agreement with standardized vacation and sick time provisions that mirror the County's established policy. He stated he felt the contract is fair and equitable. After discussion, a roll call vote was called. The motion carried with all ayes (Breedon, Ryan, Donner, Hammerand, Hill, Orphal and Munaretto).

Resolution authorizing ESRI Software Maintenance Agreement: Ms. Hill made a motion, seconded by Ms. Donner, to recommend the County Board approve a Resolution authorizing ESRI Software Maintenance Agreement. Ms. Gattuso noted this is a renewal of the support contract with ESRI for GIS software maintenance. On a roll call vote, the motion carried with all members present voting aye (Breedon, Ryan, Donner, Hammerand, Hill, Orphal and Munaretto). Mr. Hammerand asked what would happen if the agreement was not approved. Ms. Gattuso responded that the department would no longer have updated software and the current software would eventually become outdated and useless.

OLD BUSINESS: None.

REPORTS TO COMMITTEE:

Auditor: Ms. Palmer reviewed the journal entry policy she has drafted for her department. She stated her goal is to produce a manual of audit department procedures/policies to have this information in one place and easily accessible. The policy does include reversals of accruals. To clarify the policy, Chairman Munaretto suggested calling this an Accounting and Financial Reporting Policy and Procedures, instead of a Financial

Policy since this document is more of accounting tasks. Ms. Palmer agreed and noted there would be additional sections that she will bring to the Committee for review.

Ms. Palmer reported that the outside auditors are here and beginning their work on the audit. She also reported that a recent meeting with staff was held to discuss grants. She stated she would like to make a presentation to the Committee in April which will include an inventory of all grants, including current, active and closed grants and a method to track grants along with positions associated with each grant. Chairman Munaretto felt the April meeting would be a good time for such a presentation. In addition, Ms. Palmer noted that she would be attending a conference March 7 through March 10. She also reported that the automated system for vacation and comp time accruals appears to be working well.

Chairman Munaretto reported that the Finance and Audit Committee would be readdressing the Debt Policy at the next meeting. He stated the policy as adopted is not in concert with the agreement with the Mental Health Board. He stated he has done some rewording to the document for consideration at the March 10th meeting.

Ms. Hill stated she is unable to attend a GASB 34 meeting in Chicago on March 5th and asked if Chairman Munaretto would be interested in attending in her place. Chairman Munaretto asked that she forward this information to him for consideration.

Mr. Austin reported that the Department Head / Elected Officials meeting held last Friday at which economic concerns were discussed was well received by attendees. Some departments have already put a freeze on new hires and vacant positions are being reviewed. He stated a full presentation will be made to the full County Board at the March 17th meeting.

Contingency: No report.

EXECUTIVE SESSION: None.

ADJOURNMENT

Noting no further business, Ms. Orphal made a motion, seconded by Mr. Ryan, to adjourn the meeting at 10:50 a.m. The motion carried with a unanimous voice vote.

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RECOMMENDED FOR BOARD ACTION:

- Resolution authorizing a budget line item transfer in the FY 08 budget – Valley-Hi
- Resolution authorizing a budget line item transfer and an emergency appropriation in the FY 08 budget – Risk Management
- Resolution authorizing a budget line item transfer in the FY 08 budget – Workforce Network
- Resolution authorizing acceptance of a \$25,000 Community Development Block Grant and an emergency appropriation to the Dental Care Clinic fund for FY 09 budget
- Resolution authorizing acceptance of a \$4,000 Illinois Public Health Institute Grant and an emergency appropriation to the Health Department's FY 09 budget
- Resolution authorizing acceptance of \$5,000 in additional grant funding from the Illinois Department of Public Health to conduct a West Niles virus mosquito surveillance program and an emergency appropriation to the Health Department's FY 09 budget
- Resolution authorizing a contract agreement between the International Union of Operating Engineers, Local 150, Facilities Management Department and the County of McHenry
- Resolution authorizing ESRI Software Maintenance Agreement

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