



McHenry County
Finance & Audit - Public Meeting
MINUTES

July 3, 2024, 8:30 AM
County Board Conference Room
Administration Building, 667 Ware Rd., Woodstock, IL 60098

Members Present: Michael Skala, Kelli Wegener, Carolyn Campbell, Brian Sager, Larry Smith, Theresa Meshes

Members Absent: Terri Greeno

Full comments on all agenda items are included in the video recording of this meeting.

1. CALL TO ORDER

Meeting called to order at: 8:30 A.M.

Also present: Peter Austin, County Administrator; Kerri Wisz, CFO; Joe Tirio, County Clerk/Recorder; Jeffery Poynter, Director of Workforce Network; Jake Rohn, Director of Workforce Network Board; Sandra Salgado, Sheriff's Office Business Manager; Mark Cook, Public Defender; Melissa Adamson, Health Administrator; Scott Hennings; Assistant Director of Transportation; Thomas Annarella, Valley Hi Administrator; Edward Markison, Maintenance Supervisor; Kelly Scimeca, Director of Office of Special Projects; Jeremy Andrykowski, Deputy CFO; Kerrie Johnson, Senior Financial Analyst; Adam Letendre, Director of Procurement and Special Services; Suzanne Ziebart, Director of HR; Tom Burroughs, Director of Facilities.

Mover: Meshes

Secunder: Smith

To approve the remote attendance of Mr. Sager.

Aye (5): Skala, Wegener, Campbell, Smith, and Meshes

Abstain (1): Sager

Absent (1): Greeno

Recommended (5 to 0)

2. MINUTES APPROVAL

2.1 Finance & Audit - Public Meeting - June 7, 2024 8:30 A.M.

Mover: Meshes

Secunder: Smith

To approve the minutes from the June 7, 2024 meeting.

Aye (6): Skala, Wegener, Campbell, Sager, Smith, and Meshes

Absent (1): Greeno

Recommended (6 to 0)

3. PUBLIC COMMENT

None.

4. MEMBERS' COMMENTS

None.

5. NEW BUSINESS

None.

6. ROUTINE CONSENT AGENDA

Mover: Wegener

Second: Campbell

To approve the remaining items of the routine consent agenda.

Aye (6): Skala, Wegener, Campbell, Sager, Smith, and Meshes

Absent (1): Greeno

Recommended (6 to 0)

6.2 Resolution Authorizing the Appointment of Judges of Election (14)

Mover: Wegener

Second: Campbell

To approve a resolution approving Judges of Election.

Recommended

6.3 Resolution Amending the Construction Budget for the Election Center, 410 Eastwood Drive, Woodstock, Illinois (18)

Mover: Wegener

Second: Campbell

To approve a \$45,000 increase to the Election Center Construction Budget.

Recommended

6.4 Resolution Authorizing a Workers' Compensation Settlement for Claim #21-6100-01 (19)

Mover: Wegener

Second: Campbell

Recommended

Mover: Wegener
Secunder: Campbell

To authorize settlement of a pending Workers' Compensation claim.

Recommended

6.5 Resolution Authorizing a Workers' Compensation Settlement for Claim #23-3200-10 (19)

Mover: Wegener
Secunder: Campbell

To approve a resolution authorizing a Worker's Compensation settlement for claim# 23-3200-10.

Recommended

6.6 Resolution Authorizing Acceptance of the Illinois Department of Commerce and Economic Opportunity Grant # 24-681002 and a Corresponding Emergency Appropriation to the Workforce Network FY24 Budget (26)

Mover: Wegener
Secunder: Campbell

To approve the acceptance of Grant #24-681002 from the Illinois Department of Commerce & Economic Opportunity for funding under the Workforce Innovation and Opportunity Act Title I in the amount of \$1,843,534 of which \$765,067 is being added by emergency appropriation to the McHenry County Workforce Network FY24 budget and the remaining \$1,078,467 will be added to the McHenry County Workforce Network FY25 budget.

Recommended

6.7 Resolution authorizing the McHenry County Sheriff to spend over \$30,000 for the purchase of vehicle and equipment parts with NAPA Auto Parts (32)

Mover: Wegener
Secunder: Campbell

Authorization to spend of \$30,000 with Napa Auto Parts.

Recommended

6.8 Resolution Authorizing an Emergency Appropriation in the Sheriff's FY24 Budget for Inmate Healthcare (32)

Mover: Wegener
Secunder: Campbell

Authorization to increase the Sheriff's budget to reflect the increase in ADP and increased rate of service for healthcare in the jail.

Recommended

6.11 Resolution Authorizing an Adjustment to the Public Defender’s Annual Salary and an Emergency Appropriation in the Public Defender’s FY24 Budget (44)

Mover: Wegener
Second: Campbell

Recommended

Mover: Wegener
Second: Campbell

To approve an adjustment to the Public Defender’s Annual Salary.

Recommended

6.13 Resolution to Authorize Reclassification of Position #051001699 from Assistant Director of Nursing to the Director of Community Health (51)

Mover: Wegener
Second: Campbell

Authorize personnel changes to the Department of Health’s FY2024 roster effective July 1, 2024.

Recommended

6.14 Resolution Approving an Intergovernmental Agreement with the Village of Algonquin for a Remote Salt Storage Facility Study and Appropriating Funds (82)

Mover: Wegener
Second: Campbell

To approve an intergovernmental agreement with the Village of Algonquin for a remote salt storage facility study and appropriating funds.

Recommended

6.15 Resolution Appropriating Funds for Right-of-Way Acquisition Associated with the Hunter Road Bridge Replacement Project (056-3034) (82)

Mover: Wegener
Second: Campbell

Appropriation of funds for right-of-way acquisition for the County owned Hunter Road Bridge over Little Beaver Creek (056-3034) replacement project in Chemung Township.

Recommended

6.1 Resolution Authorizing County Participation in the Landlord Engagement Program and an Emergency Appropriation to the CD Division FY 2024 Budget (10)

Pulled by Ms. Wegener to abstain.

Chair Skala requested voting on routine consent agenda items 6.1 and 6.12 together. Committee members agreed to do so.

Mover: Meshes

Second: Smith

Authorizing an emergency appropriation to the Community Development Division in the amount of \$30,000 for the Landlord Engagement Program.

Aye (5): Skala, Campbell, Sager, Smith, and Meshes

Abstain (1): Wegener

Absent (1): Greeno

Recommended (5 to 0)

- 6.9 Resolution Authorizing the Acceptance of Grant Award from the McHenry County Community Foundation and the Creation of One Employment Specialist Position in Court Administration and an Emergency Appropriation Court Administration FY2024 Budget (42)

Pulled for discussion by Ms. Meshes.

Kelly Scimeca, Director of the Office of Special Projects, joined the committee to discuss the resolution.

Chair Skala requested voting on routine consent agenda items 6.9 and 6.10 together. Committee members agreed to do so.

Ms. Meshes wanted to confirm that the grants will only last one year. Ms. Scimeca confirmed that was correct.

Ms. Meshes then inquired if Ms. Scimeca thinks it is likely that they will continue to get the grants renewed every year because a concerned citizen approached her that they will grow the staff but wondered about their financial plan for how to sustain that.

Ms. Scimeca stated there is no guarantee that they will get them next year but they can get the Transformational Grant for three years, which they are hoping to do but after that, they would have to ask the County to support the position or eliminate it.

Ms. Meshes stated she is always in favor of accepting grant funds, but inquired if they try to look for ways to grant fund positions in general. Ms. Scimeca confirmed that is correct, and stated there is definitely a need for their programs because they are growing. She stated eventually she would love for the County to support the positions, even as she continues to go for grants.

Mr. Austin inquired if the candidate would be a candidate for the Mental Health Board (MHB) grant. Ms. Scimeca stated they could always apply as the MHB does support part of the DUI Court Clinician.

Mover: Meshes

Second: Smith

Approve a resolution authorizing the acceptance of a grant award from the McHenry County Community Foundation in the amount of \$75,000.00, the creation of one employment specialist in the Court Administration roster and an emergency appropriation to the Court Administration 2024 budget.

Aye (5): Skala, Campbell, Sager, Smith, and Meshes

Abstain (1): Wegener

Absent (1): Greeno

Recommended (5 to 0)

- 6.10 Resolution Authorizing the Acceptance of Grant Award from the Illinois Department of Transportation and the Creation of One Treatment Clinician Position in Court Administration and an Emergency Appropriation Court Administration FY2024 Budget (42)

Pulled for discussion by Ms. Meshes.

Mover: Meshes

Secunder: Smith

Approve a resolution authorizing the acceptance of a grant award from the Illinois Department of Transportation in the amount of \$111,456.37, the creation of one treatment clinician in the Court Administration roster and an emergency appropriation to the Court Administration 2024 budget.

Aye (5): Skala, Campbell, Sager, Smith, and Meshes

Abstain (1): Wegener

Absent (1): Greeno

Recommended (5 to 0)

- 6.12 Resolution Authorizing the Approval of the Community Health Grant awards from the Department of Health's designated American Rescue Plan Act (ARPA) Funds (51)

Pulled by Ms. Wegener to abstain.

Mover: Meshes

Secunder: Smith

Authorize the selected Community Health Grant awards from the Department of Health's designated ARPA funds.

Aye (5): Skala, Campbell, Sager, Smith, and Meshes

Abstain (1): Wegener

Absent (1): Greeno

Recommended (5 to 0)

7. PRESENTATION

- 7.1 Valley Hi Financial Update

Peter Austin, County Administrator, and Ms. Meshes presented the Valley Hi Financial Update.

FY2023 Preliminary Report (before outside audit)

- Operating Income (\$922,649)
- Investment and Other Income \$959,540
- Net income \$36,891

FY2023 Final Report (after outside audit and application of non-realized losses)
[Considers investment penalties if all investments were liquidated at the end of the year]

- Operating Income (\$998,319)
- Investment and Other Income \$959,540
- Net income (\$38,779)
- Net income after depreciation and Unrealized Expenses (\$1,629,202)
 - \$614,061 in depreciation
 - \$245,739 in pension expenses
 - \$29,805 in OPEB

Current Financial Position through March 2024

- Operating Income (\$588,592)
- Investment and Other Income \$307,154
- Net income (\$142,330)
- The Facility census is being held at 80 max due to memory care unit construction
 - Staffing has been adjusted to the census wherever possible, for example, nurse floor staffing levels and some housekeeping hours
 - Some fixed costs do not change with the lower census, for example, dietary staffing and laundry staffing

Valley Hi Fund Balance as of 5-31-2024 at \$22,426,564 (includes bank accounts and investments)

- Memory Care project being paid for as work is completed out of this account

8. ADVANCE McHENRY COUNTY

Kerri Wisz, Chief Financial Officer, and Kerrie Johnson, Senior Financial Analyst, joined the committee for the Advance McHenry County Update.

Ms. Johnson stated there has not been much change since they last presented to the committee, but there have been a few more reimbursements.

- Housing Development - Taylor Place Apartments in McHenry received their first reimbursement.

Chair Skala inquired about how they set that up with them and if it was a reimbursement based on completion. Ms. Johnson stated their project is not set that way, it is based on closing on the land and serving the building, which they will be doing in the next two weeks so then they will be able to reimburse them.

Ms. Johnson stated she has a few concerns from some of the recipients.

- Illinois Manufacturing Excellence Center (IMEC) - Manufacturing Initiative w/ MCC: because it is such a large project but they have not seen a lot of reimbursements. When she spoke with them they claimed to have projects going and that they would be submitting for reimbursement but she has not seen any. She spoke with them again and they still claim to be on track and she received two more draw requests totaling about \$30,000 so she thinks they need to continue watching them to see if those reimbursements come in.

- Rosecrance - Mental Health Intensive Outpatient Program for Children: their program is doing better than expected so they are receiving too much revenue. She mentioned they had a few ideas to add on to their program which fit into their original approval so they are currently working with Bronner to ensure that they meet all of the guidelines, so she will have an update on their project next month after she speaks with them later in the day.

Chair Skala inquired if the through process is to approve a modification or if it would fit under the same scope in which they originally applied. Ms. Johnson stated it currently fits under the same scope of the original request, so there is currently no formal action needed but she will keep the committee updated.

- Sage YMCA - Summer Camp and Child Care Financial Assistance Program: ended up getting their 26 campers and everything is going well. She stated they would submit their reimbursement for this year at the end of the summer session.
- New Directions - Affordable Housing for SUD Recovery: was approved to purchase land and build a new building. She received an email from them that they did purchase the land and started the process but all of their construction bids are coming in higher than they were originally so they are looking for additional grants to help fund the project.

Ms. Campbell inquired if that is a project that they would consider giving more funding to help out with the additional construction costs. Chair Skala stated the committee decided that if there were additional dollars that they would go back and fund the capital projects that they did not fully fund to begin with. He stated they can always change their minds but that is what was originally decided.

- Child Advocacy Center of McHenry County - Continue services for Child Abuse Services: they did an update and are looking to update their budget, but the committee would not have to do anything formal because it still falls into their approved program. She stated they would like to reallocate a larger portion to capital because they would like to expand the building that they are currently in so that is something that they are reviewing with Bronner.
- Lastly, she met with the new McHenry County Economic Development Corporation (MCEDC) Executive Director Mark Piekos and they had a nice conversation they will be setting up a meeting to go over what he is thinking to make sure that they fit in with the ARPA requirements.

9. OLD BUSINESS

None.

10. DISCUSSION

None.

11. REPORTS

11.1 Chief Financial Officer

Kerri Wisz, Chief Financial Officer, joined the committee to discuss the report.

- She stated the County received the Government Finance Officers Association (GFOA) award for the budget document.
- This is the first year that the County has used ClearGov and next year they will be working on format.
- She wanted to clarify what was mentioned at the LGL committee meeting that the increase to the healthcare resolution that was presented for this month is not entirely because of the Lake County inmates. The June population average daily for McHenry County was 200.37 and Lake County was 143.5, so looking at that total across the increased expense for having over 200

inmates it is about the same. She stated it is hard to come up with a direct variable cost when it is an average of an average, so to be consistent she went with the \$30.65, and at the end of the year, they could relook at staffing and see where they are.

Mr. Austin stated they do have the feeling that the agreement will continue in Fiscal Year 2025.

11.2 Contingency Reports

None.

11.3 Economic Development Corporation

Peter Austin, County Administrator, and Chair Skala discussed the report.

- Chair Skala stated the new Executive Director Mark Piekos is doing a great job and has attended a lot of meetings.
- He is working well with James Sitko to accomplish all of the daily tasks.
- They are working on the Annual Dinner as they are still working on getting a guest speaker to attend.
- Mr. Austin stated they are going to post the Greater Chicago Economic Partnership meeting on August 2 at the McHenry County College (MCC), he does not think it is open to the public, but it is going to be nice having all seven counties come together.

11.4 Naturally McHenry County

None.

12. EXECUTIVE SESSION (AS NECESSARY)

None.

13. ADJOURNMENT

Peter Austin, County Administrator, joined the committee and stated that he and Human Resources Director Suzanne Ziebart have been looking into non-union wages for Fiscal 2025. He stated they are tentatively looking to bring forward a recommendation to the Administrative Services (AS) Committee and the Finance & Audit (FA) Committee to talk about that and see what they can build the budget around.

Mover: Meshes

Secunder: Wegener

To adjourn the meeting at 9:26 A.M. -TCCazares

Aye (6): Skala, Wegener, Campbell, Sager, Smith, and Meshes

Absent (1): Greeno

Recommended (6 to 0)