



McHenry County
Finance & Audit - Public Meeting
MINUTES

March 5, 2026, 8:30 AM
County Board Conference Room
Administration Building, 667 Ware Rd., Woodstock, IL 60098

Members Present: Michael Skala, Carolyn Campbell, John Collins, Terri Greeno, Eric Hendricks,
Larry Smith

Members Absent: Brian Sager

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1. CALL TO ORDER

Meeting called to order at: 8:32 A.M.

Also present: Scott Hartman, County Administrator; Alicia Schueller, Deputy County Administrator; Adam Letendre, Assistant County Administrator; Alejandro Benitez, Chief County Assessment Officer; Adam Wallen, Director of Planning & Development; Kerri Wisz, CFO; Nathan Johnson, VAC Superintendent; Sandra Salgado, Sheriff's Office Business Manager; Melissa Adamson, Health Administrator; Elizabeth Kessler, M CCD; Sarah Ponitz, Community Development Administrator; Kerrie Johnson, Senior Financial Analyst; Andy Dylak, M CCD; Hester Barry NIFB; Emily Frost, NIFB; Jamie Maravich, United Way; Rebekkah Burtcher, Board of Review; Michael Grebenick; Board of Review; Joe Clark, Board of Health.

2. MINUTES APPROVAL

Mover: Smith

Secunder: Collins

To approve the meeting minutes from January 14, 2026.

Aye (5): Skala, Campbell, Collins, Greeno, and Smith

Absent (2): Sager, and Hendricks

Recommended (5 to 0)

2.1 Finance & Audit - Public Meeting - Jan 14, 2026 8:30 A.M.

3. PUBLIC COMMENT

None.

4. MEMBERS' COMMENTS

None.

5. NEW BUSINESS

None.

6. PRESENTATION

6.1 Northern Illinois Food Bank ARPA Project Update

Mr. Hendricks arrives at 8:43 A.M.

Hester Bury, Development Officer at Northern Illinois Food Bank, and United Way provided an update on ARPA-funded programs and requested a reallocation of remaining funds. They reported that the County had awarded \$825,000 in ARPA funding, including \$625,000 for food purchases and \$200,000 for home delivery. To date, approximately \$571,000 has been spent on food, resulting in the distribution of about 800,000 pounds of food across McHenry County.

NIFB explained that while the home-delivery program has been successful and serves residents with transportation or health barriers, some of those funds will remain unspent due to administrative limitations and a desire not to expand the program beyond what can be sustained after ARPA funding ends. As a result, they requested to reallocate approximately \$331,000 from home delivery to food purchases to ensure all ARPA funds are fully utilized by the deadline. The committee responded positively to this request.

The presenters also provided context on increasing need, noting that food insecurity remains significant in McHenry County, with 1 in 10 individuals affected. They explained that demand has increased following the end of pandemic SNAP benefits and is expected to rise further due to new work requirements, which may cause some residents to lose assistance.

They highlighted that NIFB serves 13 counties, distributes millions of meals annually, and supports a network of local food pantries and programs. In McHenry County, residents can access services through over 50 locations, as well as online and text-based tools. Most services rely on self-attestation of need, making access easier for residents.

In closing, NIFB thanked the County for its support and emphasized that ARPA funding has been critical in expanding food access. They encouraged continued support for food programs and noted that demand is expected to grow in the coming months.

6.2 Board of Review Overview

Alejandro Benitez, Chief County Assessment Officer, joined the committee for the presentation.

Mr. Benitez provided an overview of the Board of Review and introduced Board members Rebecca Bircher and Michael Freeman, who were present to assist with questions. He explained that the Board of Review is a quasi-judicial body that hears property assessment appeals, focusing on property values—not property taxes—and handling cases involving valuation and fairness compared to similar properties across residential, commercial, and industrial real estate.

He noted that Board members must be state-certified and have experience in real estate, making it a highly specialized role. He informed the committee that a recent retirement created a vacancy, and that the position must be filled by a Republican due to statutory requirements. He explained that the current pool of alternates could not fill the vacancy due to residency or party affiliation limitations. Outreach efforts are underway, and interested candidates must pass a state exam scheduled for May 8 before being considered.

Mr. Benitez recommended that staff and current Board members conduct initial interviews and bring final candidates to the County Board for approval. He noted that the timeline is tight and the candidate pool

may be limited, but the Board could temporarily rely on alternates if needed. The committee generally supported this approach while expressing a preference for multiple candidates when possible.

He also shared a recent case example involving a rural bank property that had been assessed at about \$2 million. The property owner appealed with an appraisal suggesting a much lower value. After reviewing the evidence, the Board determined the property was overassessed but did not support the full reduction. The value was lowered to approximately \$1 million, and the property owner retained the right to appeal further.

Mr. Benitez concluded by noting that the example demonstrated the complexity of these decisions and the importance of having qualified individuals on the Board of Review.

7. ROUTINE CONSENT AGENDA

Mover: Collins

Secunder: Greeno

To approve the remaining items of the routine consent agenda.

Aye (6): Skala, Campbell, Collins, Greeno, Hendricks, and Smith

Absent (1): Sager

Recommended (6 to 0)

- 7.1 Resolution Rescinding Prior Notice Requirements Established by Resolution R94081750155 and Discontinue Equalization-Only Assessment Notices (5)

Mover: Collins

Secunder: Greeno

To approve a resolution rescinding prior notice requirements established and discontinue equalization-only assessment notices.

Recommended

- 7.2 Resolution Authorizing the Community Development Block Grant Cares Act Program Funding Award to Consumer Credit Counseling Services (10)

Mover: Collins

Secunder: Greeno

To approve the award of Community Development Block Grant Cares Act Program Funding to Consumer Credit Counseling Services.

Recommended

- 7.8 Resolution Authorizing a Contract with ClearGov Inc. for the Licenses, Hosting and Implementation of a New Financial Planning and Reporting Integration System for FY2026 (18)

Mover: Collins

Secunder: Greeno

To authorize a contract with ClearGov Inc. for implementation of a new financial planning and reporting integration system for the County.

- 7.9 Resolution Authorizing a New Full Time Veterans Outreach Coordinator Position in the Veteran's Assistance Commission Departmental Roster and a Budget Line-Item Transfer in The VAC FY26 Budget (22)

Mover: Collins

Secunder: Greeno

To approve a resolution authorizing a new full-time Veterans Outreach Coordinator Position in the Veterans Assistance Commission Departmental roster and a budget line item transfer in the VAC FY26 budget.

Recommended

- 7.3 Elimination of the Senior Community Development Specialist and restructuring of the Community Development Specialist Position (10)

Pulled for discussion by Ms. Campbell

Adam Wallen, Director of Planning and Development, joined the committee to discuss the resolution.

Ms. Campbell noted that she had requested the item be pulled for discussion and stated that her question related to staffing structure and growth potential within the proposed changes.

She referenced the removal of one position and the remaining structure, which includes a senior specialist and four specialists, and asked how future growth opportunities would be handled given the limited vertical advancement. She inquired whether growth would instead be accommodated within the salary range.

Mr. Wallen explained that there is currently no vertical movement within the structure and that the proposal eliminates the existing senior role while retaining the job description in a modified form. He noted that supervisory responsibilities had been removed, resulting in the position being reclassified at a lower grade. Mr. Wallen stated that the intent is to create growth opportunities by allowing employees to progress within the pay range and, upon gaining sufficient experience and exposure, become eligible for advancement to a higher-grade position.

Mr. Wallen referenced a handout demonstrating current salary averages and projections, explaining that with an assumed 3% annual cost-of-living increase, employees would reach or exceed the lower threshold of the higher pay grade within several years. This would allow for advancement without additional budget impact. It was clarified that while the number of positions would decrease from six full-time equivalents to five, employees could still progress to a higher classification over time based on qualifications and experience.

Ms. Campbell sought clarification on the projected salary trends shown for future years and asked whether those projections would significantly increase overall costs. Mr. Wallen explained that the projections demonstrated modest growth and that even by 2029, total personnel costs would remain comparable to or slightly above historical levels. He noted that previous staffing levels included additional temporary positions, which contributed to higher overall costs in prior years.

Mr. Wallen further explained that current projections reflect a reduction in overall staffing costs, decreasing from approximately \$381,000 in prior years with temporary staff to approximately \$350,000 currently. Even with projected increases, costs are expected to reach approximately \$385,000 by 2029, which remains consistent with historical spending levels while reflecting a more streamlined and

sustainable staffing model. Ms. Campbell acknowledged the explanation and expressed appreciation for the clarification.

Mover: Campbell

Secunder: Smith

That the County Board approves the reclassification of one CD Specialist position from 8E to 10E and eliminate one Full Time Equivalent from the Community Development Division roster.

Aye (6): Skala, Campbell, Collins, Greeno, Hendricks, and Smith

Absent (1): Sager

Recommended (6 to 0)

- 7.4 Authorizing a Modification to R-202407-51-156 for the Approval of Community Health Grants Awarded from ARPA for Veteran's Path to Hope and a Modification to R-202303-18-078 for the Approval of Grants Awarded from ARPA for Options & Advocacy for McHenry Co

Pulled for discussion by Chairman Skala

Kerri Wisz, Chief Financial Officer, and Kerrie Johnson, Senior Financial Analyst, joined the committee to discuss the resolution.

Mr. Smith noted that he had requested the item be pulled for discussion and asked Ms. Wisz to explain the rationale behind the proposed action.

Ms. Wisz explained that staff had been working with agencies that received ARPA funding and noted that Veterans Path to Hope had experienced challenges in expending its allocated funds. She stated that despite outreach efforts through events, social media, and partner agencies, participation in the program had been significantly lower than anticipated. The program had expected to serve 35 individuals but had only served four to date. While participants had reported positive experiences, overall interest remained low, making it unlikely that the organization would be able to fully expend its grant funds within the required timeframe.

Ms. Wisz further explained that another program, the Neurodiversity Clinic, had demonstrated strong demand and success but required additional funding to continue operating in the short term. She stated that staff recommended reallocating approximately \$79,000 in unused ARPA funds from Veterans Path to Hope to the Neurodiversity Clinic, as that program would be able to fully utilize the funding.

Mr. Smith inquired how long the additional funding would sustain the Neurodiversity Clinic and whether the reallocation would simply serve as a temporary solution. Ms. Wisz explained that the clinic had completed the necessary steps to become eligible for Medicaid billing and had recently received its approval number. She stated that the clinic had begun billing Medicaid but anticipated a delay in receiving payments, with initial reimbursements expected in June or July. She noted that the reallocated funds would serve as a bridge during that gap period until Medicaid revenue is received.

Mr. Smith asked what would have occurred if the ARPA funds allocated to Veterans Path to Hope had been fully utilized as originally planned. Ms. Wisz explained that without additional funding or reimbursement, the Neurodiversity Clinic would have been unable to continue operating, as it would not have been able to cover staffing costs or take on new clients. She stated that the clinic's original plan had been to have Medicaid billing fully in place earlier, but delays at the state level prevented timely approval, leaving the program temporarily without a sustainable funding source.

Ms. Wisz also clarified that under ARPA guidelines, any revenue generated through insurance or other sources had to be applied to program costs before grant funds could be used. She stated that the clinic

had followed all required steps and that the delay in receiving its Medicaid approval number was outside of its control.

Mr. Smith expressed that while he supported the program, he wanted to ensure that it would be sustainable beyond the temporary funding. Ms. Wisz responded that based on the clinic's projected budget and expected Medicaid revenue—representing approximately 80% of its clientele—the program is anticipated to become sustainable once reimbursements begin. She also noted that the clinic has additional funding sources, including other donors, which further support its long-term viability.

Ms. Wisz concluded that staff is confident the program will remain sustainable moving forward.

Mover: Smith

Secunder: Skala

To reduce the project budget of Veterans Path to Hope by \$79,600 and increase the project budget of Options & Advocacy by \$79,600.

Aye (6): Skala, Campbell, Collins, Greeno, Hendricks, and Smith

Absent (1): Sager

Recommended (6 to 0)

- 7.5 Resolution Authorizing Ordinance No. 26-1066 of the McHenry County Conservation Districts 2027 Fiscal Year Budget as Provided for in Public Act 91-629 (18)

Pulled for discussion by Ms. Greeno

Elizabeth Kessler, McHenry County Conservation District, and Andy Dylak, McHenry County Conservation District, joined the committee to discuss the resolution.

Ms. Kessler explained that the budget process is year-round, beginning immediately after the prior budget is completed. The levy was approved in September, followed by a tentative budget presentation in January, a public hearing in February, and final approval by the Board of Trustees. She noted that, due to statutory requirements tied to prior indebtedness, the Conservation District's budget must also be approved by the County Board.

Ms. Kessler outlined that total revenues across all funds are projected at approximately \$31 million, reflecting a \$287,410 increase (0.9%) from the prior year. General fund revenues are approximately \$11.2 million, with total non-debt revenue at \$16.7 million. Total expenditures across all funds are projected at \$31.7 million, representing a \$487,000 decrease (1.5%) from the prior year. General fund expenditures total approximately \$12.4 million, with interfund transfers including \$750,000 allocated to the Capital Asset Management Plan. The estimated year-end fund balance is \$101,746.

She explained that the District operates multiple funds, including the general fund, liability (tort) fund, and debt fund. She highlighted that fiscal year 2025 marked the final year of the debt levy, and the District will be fully debt-free entering 2026. She emphasized that the District has abated levy amounts in recent years, resulting in significant taxpayer savings—over \$14.4 million total, including a \$3.6 million abatement in the prior year and \$3.7 million in the current levy—culminating in an approximate 40% tax reduction.

Ms. Kessler noted that property taxes account for approximately 85.6% of revenue, followed by state replacement taxes, leases and licenses (including farm leases and cell towers), program fees, interest income, and philanthropic support. She emphasized that the District has taken the full allowable levy only three times between 2012 and 2024, saving taxpayers approximately \$10.8 million during that period.

She also highlighted ongoing strategic planning efforts, including the “Forward to 2040” comprehensive conservation plan, which includes a long-term vision extending to 2071. She stated that the plan incorporates extensive community and stakeholder input and will guide future priorities. The District is also in the fourth year of its current five-year strategic plan.

Regarding staffing, Ms. Kessler reported that staffing levels remain largely flat, with approximately 76 full-time employees funded through the general fund, additional staff funded through special revenue, part-time and seasonal employees, and over 400 volunteers. She noted a planned 3% merit and economic adjustment for staff and emphasized strong employee retention and institutional knowledge. She also outlined collective bargaining agreements with the Fraternal Order of Police and Local 150.

Ms. Kessler provided an overview of insurance costs, noting a projected 6.6% increase, and explained efforts to control costs through participation in an intergovernmental cooperative and implementation of plan options, including a narrow network PPO.

She then summarized key capital projects, including restoration work in the Kishwaukee corridor, the Silver Creek flood reduction project, mitigation banking, Prairie Trail wayfinding improvements, trail enhancements, and infrastructure repairs. She highlighted a \$320,000 Illinois Department of Transportation grant for engineering related to a trail connection in the Hebron area, noting that full project completion is estimated at approximately \$4 million.

Ms. Greeno asked several follow-up questions. She inquired about fleet management, and staff explained that older vehicles are auctioned and replaced as needed, noting recent delays due to supply chain issues. She also asked about the addition of an electric motorcycle, and staff explained that it would support law enforcement access along trails and improve operational efficiency.

Ms. Greeno further asked about the proportion of payroll allocated to administrative staff. Ms. Kessler acknowledged the request and stated that staff could provide a breakdown of administrative personnel costs as a percentage of total payroll. She also emphasized that many administrative staff perform multiple roles and contribute to operational functions.

Ms. Greeno commented on the District’s strong performance, noting its recognition and awards, and asked about environmental pressures related to development and energy projects near conservation areas. Ms. Kessler explained that the District is not a regulatory body but has established a formal review process for external proposals. She stated that the District evaluates potential impacts using a structured rubric and provides feedback when appropriate, while protecting sensitive environmental data such as endangered species locations. She noted that the District engages with stakeholders to share expertise and advocate for conservation considerations within its jurisdiction.

Mover: Smith

Secunder: Collins

To approve the resolution authorizing Ordinance No. 26-1066 of the McHenry County Conservation Districts 2027 Fiscal Year Budget as Provided for in Public Act 91-629.

Aye (6): Skala, Campbell, Collins, Greeno, Hendricks, and Smith

Absent (1): Sager

Recommended (6 to 0)

7.6 Authorizing the County Administrator to Execute a Vacant Land Sales Contract to Sell 2.421 Acres of County Owned Property on Banford Road, Woodstock, IL (18)

Pulled for discussion by Chairman Skala

Mr. Hartman explained that the County has broad discretion in the disposal of real estate and is not required to follow a formal surplus declaration or public marketing process. He noted that this authority had been confirmed with the State's Attorney's Office and is consistent with the County's purchasing ordinance, which delegates discretion to the Purchasing Director. He further explained that counties operate under a different statutory framework than municipalities, allowing for greater flexibility in how property is disposed of.

Additional clarification was provided that, under current County practice, the Purchasing Director has the authority to determine the appropriate method of disposal, including sale, transfer, or other means, without requiring a formal surplus declaration process.

Ms. Greeno questioned why the County is not subject to the same requirements as other government entities and requested additional information or documentation from the State's Attorney regarding this authority. Mr. Hartman agreed to provide that information.

Ms. Greeno also inquired how the sale price was determined. Mr. Hartman explained that the price was based on a 2021 appraisal, which valued the property at approximately \$23,000 per acre. He stated that the property had been previously evaluated for potential sale, and when an adjoining property owner later expressed interest, the Administrative Services Committee reviewed the appraisal and determined that it remained a reasonable basis for negotiation. The committee elected not to obtain a new appraisal in order to avoid additional costs.

It was noted that the Administrative Services Committee also directed staff to contact other adjoining property owners, although no response was received. The property in question consists of approximately 2.43 acres and has remained vacant since the County relocated its animal control facility. It was further noted that the property currently generates no tax revenue, and its sale would return it to the tax rolls, albeit at a modest level.

Committee members discussed whether reliance on a 2021 appraisal was appropriate given potential changes in market conditions. It was acknowledged that property values may have changed; however, it was also noted that comparable nearby properties had sold for less than the appraised value, and that the negotiated price was consistent with or higher than those comparable sales. Additionally, it was noted that the cost of obtaining a new appraisal or engaging a broker could offset any potential increase in sale price.

Some members expressed concern that the property had not been more broadly advertised, suggesting that additional outreach or a "for sale" notice could increase awareness and potential interest. Others noted that there had already been informal interest from multiple parties, and that the County retains full discretion to change course if desired.

Mr. Hartman emphasized that the resolution before the committee represents a proposed method of disposal, and that the County Board is not obligated to proceed with the sale if it prefers an alternative approach, such as broader marketing or solicitation of bids. He stated that if the resolution is not approved, staff would return to determine the next appropriate course of action.

Additional questions were raised regarding the timeline for the potential sale and whether details of the agreement and purchaser would be available. It was noted that the State's Attorney's Office is preparing the agreement and ensuring compliance with conflict-of-interest requirements. A tentative closing timeline of the spring season was discussed, subject to standard due diligence.

Several members of the Finance & Audit Committee expressed concern about relying on a 2021 appraisal without obtaining an updated valuation and about proceeding with a direct negotiated sale to a single adjacent property owner without providing broader notice or opportunity for competition. The resolution will be placed under New and Unfinished Business on the March 18, 2026 County Board agenda.

Mover: Greeno
Seconded: Collins

Approve the County Administrator to work with the State's Attorney to sell County-owned real estate on Banford Road, Woodstock, IL

Aye (2): Collins, and Greeno

Nay (3): Skala, Campbell, and Smith

Abstain (1): Hendricks

Absent (1): Sager

Not Recommended (2 to 3)

- 7.7 Authorizing Architectural Engineering and Design Contracts with Wold Architects and Engineers for Design & Engineering of the Veteran's Assistance Commission (VAC) and Office of Specialty Courts Office Space Renovations (18)

Pulled for discussion by Chairman Skala

The resolution was referred back to the Administrative Services Committee, as that committee had previously tabled the item to allow for further review and revisions.

Mover: Skala
Seconded: Collins

To refer executing architectural plan designs for the Veterans' Assistance Commission and 22nd Circuit Office of Specialty Projects back to the Administrative Services Committee.

Postponed

- 7.10 Resolution Accepting the FY26 Illinois Law Enforcement Training Standards Board (ILETSB) Grant in the Amount of \$195,534.30 for the FY26/27 Purchase of Sheriff's Office Body Cameras (32)

Pulled for discussion by Ms. Greeno

Sandra Salgado, Sheriff's Business Manager, joined the committee to discuss the resolution.

Ms. Greeno noted that she had pulled the item for discussion to confirm that the purchase was fully covered by grant funding and to ensure all members understood the financial implications.

Ms. Salgado explained that the County's current agreement with Axon for body cameras, in-car cameras, tasers, and the Evidence.com platform is set to expire in early 2027. While Axon has encouraged the County to enter into a new agreement earlier, Ms. Salgado indicated that the County does not intend to do so prematurely. Under the anticipated new agreement, the County will only require tasers and body cameras, as in-car cameras will no longer be needed.

Ms. Salgado further explained that the proposed agreement, although referred to as a lease, functions as a financing arrangement in which the County purchases the equipment and pays for it over a five-year period. The current estimated cost is approximately \$1.9 million over five years, extending through 2030, with the first-year payment projected at approximately \$398,000.

The grant associated with this item would provide funding in advance of the purchase and would be applied toward the first-year cost, effectively offsetting that initial expense. Ms. Salgado noted that the grant must be accepted by the end of March; however, funds will not be drawn until the County finalizes

timing with Axon, which may occur later in the year or early in the next fiscal year to ensure timely delivery of equipment.

Mover: Smith

Secunder: Campbell

Acceptance of an ILETSB Grant for the purchase of body worn cameras in the Sheriff's Office in FY26/27.

Aye (6): Skala, Campbell, Collins, Greeno, Hendricks, and Smith

Absent (1): Sager

Recommended (6 to 0)

7.11 Resolution Establishing Remuneration and Authorizing a Monthly Stipend for McHenry County Board of Health Members (51)

Pulled for discussion by Mr. Smith

Mr. Smith noted that he had requested the item be pulled for discussion and inquired about the funding source. He observed that the item was currently funded through a grant and asked how it would be funded in future years, specifically whether it would become an ongoing budget item.

Ms. Adamson, Public Health Administrator, introduced herself and explained that the item had originally been submitted as part of the budget but was not included in the final adopted budget. She stated that the department's intention had been to request funding moving forward, but when that did not occur, the department received an unexpected grant. She explained that the grant allowed them to offset general fund personnel costs, which created an opportunity to use those funds to initiate the program.

Mr. Smith asked whether the department would include the funding request in future budgets, and Ms. Adamson confirmed that they would. Mr. Clark, President of the Board of Health, provided additional context, explaining that participation on the Board of Health requires significantly more time and effort than many volunteers initially expect. He noted that members often anticipate contributing primarily within their professional expertise, but the role requires addressing a wide range of public health issues, including septic systems, wells, communicable diseases, and other regulatory matters. He stated that board members must review extensive materials, often exceeding 70 pages per meeting, and attend meetings that regularly last over an hour, in addition to committee meetings.

Mr. Clark emphasized that the time commitment is substantial and that compensation is appropriate, noting that state statute has authorized such compensation since before 2007. A committee member asked for clarification, stating that the funding would come from a grant in the current year and inquired whether it would be funded through a levy in future years. Ms. Adamson responded that if grant funding is not available, the general fund would likely be the most appropriate funding source moving forward.

The committee member added that they had served on numerous boards involving significant time commitments, including work on complex requests for proposals, financial analysis, and audits, and noted that such roles are often considered acts of service.

Mr. Smith then asked whether the current grant, which exceeds the estimated stipend costs, could be used to support stipends in future years. Ms. Adamson explained that the grant would not be available long-term and confirmed that ongoing funding would need to be incorporated into the department's future budget requests. Mr. Smith acknowledged the explanation and expressed his understanding.

Mover: Smith

Secunder: Collins

Approve and authorize monthly remuneration for Board of Health members for each regularly scheduled Board of Health meeting attended.

Aye (5): Skala, Campbell, Collins, Hendricks, and Smith

Nay (1): Greeno

Absent (1): Sager

Recommended (5 to 1)

8. ADVANCE McHENRY COUNTY

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

Ms. Wisz and Ms. Johnson provided an update on the Advanced McHenry County (ARPA) projects. Ms. Wisz explained that she has been conducting one-on-one meetings with project recipients, particularly those who have been slow in submitting reimbursement requests. She clarified that, in most cases, the work has been completed, but reimbursements have not been submitted due to staffing or administrative challenges. She stated that all recipients were given a deadline of the end of March to submit reimbursement requests for expenditures incurred to date, and that failure to do so could result in staff bringing forward a recommendation to the Board to reallocate those funds, as permitted under the intergovernmental agreements.

Ms. Wisz noted that these discussions had been well received and that all recipients indicated they would meet the deadline. She emphasized that she remains available to assist recipients with the reimbursement process and expressed confidence that submissions would begin to come in more consistently. She stated that approximately six to seven projects out of roughly 30 to 39 total have experienced delays, most of which involve smaller nonprofit organizations with limited staffing capacity.

Committee members discussed the broader timeline for ARPA expenditures, noting that all funds must be spent by December 31, 2026. It was clarified that while there is no formal “drop-dead” submission deadline in the agreements, staff has established internal expectations to ensure sufficient time for review, Board approval of any reallocations, and expenditure of funds within federal guidelines. Members discussed the importance of establishing an earlier internal deadline—potentially late summer—to allow time for any necessary reallocations and approvals.

Ms. Wisz provided additional updates on specific projects. She noted that Shelby County Economic Development had recently submitted a reimbursement exceeding \$100,000 and that she had no concerns regarding their progress. She clarified that for infrastructure projects, such as water and sewer, reimbursements are often submitted in larger amounts once sufficient documentation and proof of payment are available. She also explained that ARPA funding applies only to specific eligible portions of projects, not necessarily the full project completion.

Regarding County projects, Ms. Wisz explained that the Election Center allocation is being used to cover ongoing monthly expenses, including rent and utilities, estimated at approximately \$35,000 per month. She noted that these costs will transition to the general fund in future budgets, consistent with prior budget discussions identifying approximately \$3 million in ARPA-supported expenses that would shift to the general fund.

Ms. Wisz also addressed the space study allocation, explaining that the funding is intended for needs identified through the study and will be brought forward for further discussion. She noted that some projects, including the Crystal Lake Health Department project, are expected to come in under budget. Staff is working to identify opportunities to reallocate those funds appropriately and will return to the Board with recommendations.

Members expressed concern about ensuring adequate time to reallocate any unspent funds and emphasized the need to avoid last-minute decisions. Ms. Wisz acknowledged this concern and reiterated that reallocations must

comply with ARPA guidelines and, in many cases, be directed toward already approved projects. She noted that greater flexibility exists for reallocating funds that have already been expended versus those that have not.

Ms. Wisz further explained that certain projects, particularly those involving services, require reimbursement only after services are delivered, which may extend timelines. Construction projects may also face delays, though she indicated that most remaining projects are progressing and that reimbursements are expected in the near term.

Ms. Johnson added that internal reviews are ongoing, particularly within the Health Department projects, to identify any remaining or underutilized funds. She noted that staff is actively coordinating with departments and partners to ensure all eligible funds are utilized appropriately.

In closing, Ms. Wisz stated that approximately 80% of ARPA funds have already been spent or reimbursed and expressed confidence that the program is progressing well. Committee members emphasized the importance of ensuring that any reallocated funds are directed toward eligible and worthwhile uses consistent with program guidelines.

9. OLD BUSINESS

None.

10. DISCUSSION

None.

11. REPORTS

11.1 Chief Financial Officer

Kerri Wisz, Chief Financial Officer, joined the committee for the report.

Ms. Wisz provided a report to the committee, beginning with an update on the upcoming external audit. She noted that Baker Tilly would be onsite the following week to conduct the FY 2025 audit and reminded members that the auditors are available to them if they wish to ask questions or discuss any concerns. She stated that the audit preparation was on track, with the trial balance due that day and only a few final items remaining. She reported no concerns and indicated that staff had worked diligently to ensure the auditors would have everything needed for a productive week.

Ms. Wisz also noted that she would present the first quarter update at the next Committee of the Whole meeting, which would include preliminary FY 2025 ending balances, particularly for the general fund. She stated that the budget policy document, along with quarterly actual versus budget reporting, would be provided for initial review in April. She explained that the delay in bringing the policy forward was due to prioritizing audit preparation and ensuring that any prior challenges were thoughtfully addressed. She confirmed that the document could be distributed in advance via email.

Ms. Wisz then provided an update on the transition from Questica to ClearGov as the County's budgeting and transparency platform. She explained that ClearGov will replace the current "open book" system and offer full integration of the budget document and actual budget data into a single platform. She noted that this will improve efficiency for staff and enhance usability for committees. Additionally, she stated that ClearGov provides a more user-friendly transparency portal for the public, with improved visuals, charts, and navigation, addressing prior feedback that the existing system was difficult to use without a strong understanding of government budgeting. She indicated that the transition is expected to be budget neutral and that staff is targeting implementation by May, though she will provide updates on progress.

Finally, Ms. Wisz provided an update regarding the previously approved loan to the City of Marengo for a DCEO grant match. She reported that the City has requested the first disbursement, specifically half of the \$750,000 loan amount. She noted that the request was supported by an engineering schedule outlining planned expenditures, indicating that the funds would be used in accordance with a defined timeline rather than held without purpose.

11.2 Contingency Reports

None.

11.3 Economic Development Corporation

The Economic Development Corporation (EDC) report was presented, noting that the board had tentatively approved moving forward with exploring the addition of one full-time employee, increasing staffing from two to three positions. It was explained that the current workload exceeds the capacity of existing staff, particularly with the added responsibilities associated with the Enterprise Zone. The additional position is intended to better distribute responsibilities and improve operational efficiency. It was further noted that private investment and associated revenue streams have increased, providing a funding source to support the additional position.

The board is also working on an initiative to better define and differentiate levels of private investment, including outlining specific benefits associated with each tier. This effort is intended to improve marketing to private industry by clearly communicating the value of investing in the McHenry County EDC beyond general community support. It was anticipated that this initiative would be presented to the board within the next one to two months.

The report highlighted continued interest from businesses in locating within the county, but identified ongoing challenges related to site readiness. Specifically, the lack of available “shovel-ready” sites and existing industrial or warehouse space limits the county’s ability to attract businesses with tight development timelines. Many prospective businesses require immediate or near-term occupancy, and the need to construct new facilities often does not align with those timelines.

Questions were raised regarding a recent survey distributed by the EDC, and it was indicated that results are expected to be available within approximately one month. Additional discussion focused on infrastructure limitations, particularly related to energy availability. It was clarified that while energy supply exists, it is not always available in the locations where development is desired. This presents a significant challenge, especially in areas such as the Route 23 and I-90 interchange, where increased electrical capacity is needed. It was noted that while other utilities, such as gas service, are more readily available, electrical infrastructure expansion remains a constraint and is being addressed through ongoing coordination with ComEd and broader state and federal efforts.

Further discussion emphasized ongoing collaboration between the EDC, County staff, and municipal partners to improve site readiness, particularly in key development corridors. Efforts are focused on preparing sites for future development, though challenges remain, especially regarding infrastructure and utility coordination.

It was also noted that EDC leadership, including Mark Piekos, has been actively working with County staff and municipalities on securing Community Project Funding through legislative opportunities. These grant applications operate under tight deadlines and include projects such as extending water infrastructure in key development areas. Coordination efforts are ongoing with local, state, and federal partners to pursue these funding opportunities.

Finally, it was noted that while a new position has been identified and its general purpose defined, specific details regarding the role were not yet being publicly shared, as the position had not yet been formally posted.

11.4 Naturally McHenry County

Alicia Schueller, Deputy County Administrator, joined the committee for the report.

Ms. Schueller provided a report on Naturally McHenry County. She noted that the Naturally McHenry County Board has been working on developing and updating policies aimed at strengthening the organization and positioning it as a model tourism board. She emphasized that, while the organization

already provides strong marketing efforts, these updates are intended to improve efficiency and ensure readiness, particularly in advance of the upcoming convention later in the year.

Ms. Schueller also reported that several new board members have recently been appointed and confirmed, and that all members, including herself, have been formally voted in. She stated that the board is focused on enhancing the overall effectiveness of the tourism program through these updates and transitions.

She concluded by noting that she is available to provide additional information to the committee and encouraged members to reach out with any questions.

12. EXECUTIVE SESSION (AS NECESSARY)

None.

13. ADJOURNMENT

Mover: Collins

Secunder: Campbell

To adjourn the meeting at 10:59 A.M. -TCCazares

Aye (6): Skala, Campbell, Collins, Greeno, Hendricks, and Smith

Absent (1): Sager

Recommended (6 to 0)