

County of McHenry, Illinois Popular Annual Financial Report

For the Fiscal Year Ended November 30, 2009



Abraham Lincoln

*“Give me six hours
to chop down
a tree and
I will spend
the first four
sharpening the axe.”*

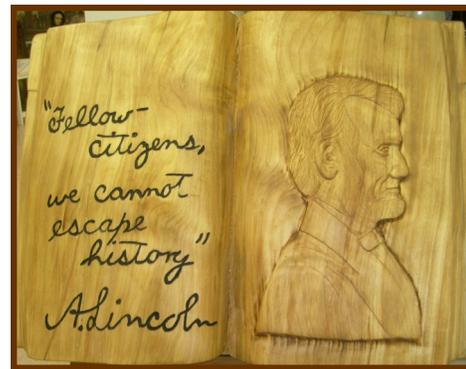
Abraham Lincoln

During 2009, McHenry County celebrated the bicentennial birthday of our nation's 16th President, Abraham Lincoln, with many events. In addition, the McHenry County Historical Society, located in Union, Illinois, had a local carving artist transform the bases of two cottonwood trees (dating back to 1880) into two sculptures. Wind and lightning had taken their toll on the trees and sadly, they had to be chopped down in 2007. However, the Historical Society left 13-foot stumps in place for this project. Complete information on the carvings can be found on the Society's website at www.mchsonline.org.



One of the carved sculptures was in honor of President Lincoln. The Historical Society used the following quote from Lincoln, which was very appropriate based upon the Society's purpose.

"Fellow citizens, we cannot escape history."



There is another Lincoln quote that is very appropriate for matching the financial strength of McHenry County.

"Give me six hours to chop down a tree and I will spend the first four sharpening the axe."

The County Board, Elected Officials, Department Directors and the employees of McHenry County have worked very hard over the past few years to build up cash reserves or a "rainy day" fund. This diligence has prepared the County for the present economic downturn. A cooperative effort in working with maintenance budgets and through the careful analysis of supplemental budget requests has allowed this to be achieved. As we continue to "sharpen the axe" through these difficult times being experienced by many of our citizens, the County will be able to meet the needs of our community and accomplish our Mission Statement -

McHenry County government is dedicated to providing the highest quality services for the health, safety, and welfare of the County's residents and communities. We foster representative and transparent government to ensure social, economic, and environmental justice.

County of McHenry, Illinois
POPULAR ANNUAL FINANCIAL REPORT
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November 30, 2009

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Introduction to the Popular Annual Financial Report



McHenry County extends into the following Cities, Towns, and Villages:

Algonquin
Barrington Hills
Bull Valley
Cary
Crystal Lake
Fox Lake
Fox River Grove
Greenwood
Harvard
Hebron
Holiday Hills
Huntley
Island Lake
Johnsburg
Lake in the Hills
Lakemoor
Lakewood
Marengo
McCullom Lake
McHenry
Oakwood Hills
Port Barrington
Prairie Grove
Richmond
Ringwood
Spring Grove
Trout Valley
Union
Wonder Lake
Woodstock

Townships in the

County:

Alden
Algonquin
Burton
Chemung
Coral
Dorr
Dunham
Grafton
Greenwood
Hartland
Hebron
Marengo
McHenry
Nunda
Richmond
Riley
Seneca

To the residents of McHenry County:

I am pleased to present McHenry County's Popular Annual Financial Report (PAFR) for the fiscal year ended November 30, 2009, prepared by the Auditor's Office. This report provides a summary of the County's revenue, spending, and financial condition. The report also includes supplementary information on local economic conditions, major accomplishments by the County government, and other reference information for your usage in contacting your Board Members or individual County departments. My goal in producing this report is to communicate the County's financial operations in a straightforward and easy-to-read format so that you may obtain a better understanding of McHenry County government. The first PAFR produced by the Auditor's Office was for fiscal year 2008 and received the Government Finance Officers Association's (GFOA) Award for Outstanding Achievement, enabling McHenry County to be the first County in the State of Illinois to earn this designation.

The information in this report is derived from the County's Comprehensive Annual Financial Report (CAFR) for the fiscal year ended November 30, 2009, which was audited by Baker Tilly Virchow Krause LLP and received an unqualified (clean) opinion. The CAFR is a highly detailed financial report that is prepared in conformity with Generally Accepted Accounting Principles (GAAP). The County has received GFOA's Certificate of Achievement for Excellence in Financial Reporting for the CAFR for 11 consecutive years. The financial schedules presented in the PAFR have been summarized and combined from assorted financial statements in the CAFR. The PAFR omits the financial statements on business-type activities, discretely presented component units, proprietary funds, and fiduciary funds, which are included in the CAFR. Anyone who is interested in reading the FY2009 CAFR can find the report under the [Financial Reports](#) link on the County's website at <http://www.co.mchenry.il.us>. Copies of past CAFRs, PAFRs, Single Audits, and Quarterly Financial Reports are also available through the link.

The first section of this PAFR presents three perspectives that help assess the County's overall financial health. The first perspective reviews the County's ability to pay its bills, the second perspective reviews the County's overall financial position, and the third perspective presents an analysis of local, state, and national economic conditions. The second section of the PAFR includes financial schedules that describe where the County derives its funds, what the County spends its funds on, and what major programs and services the County provides. The last financial schedule includes information on the collection and usage of property tax dollars.

This report is for your use in understanding the operations of the McHenry County government and is not intended to replace the CAFR. It is simply a means of increasing public confidence in the County government. It is an honor to serve as your Auditor and I encourage any questions, concerns, or feedback as to the contents of this report or the operations of my office. Feel free to contact me at my office - 815.334.4204, by email - auditor@co.mchenry.il.us, or by stopping in at my office in the Administration Building - Room 105.

Best regards,

Pamela Palmer

McHenry County Auditor
May 10, 2010

Awards Received for Financial Reporting

The Government Finance Officers Association of the United States and Canada (GFOA) has presented an Award for Outstanding Achievement in Popular Annual Financial Reporting to McHenry County for its Popular Annual Financial Report for the fiscal year ended November 30, 2008. The Award for Outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award recognizing conformance with the highest standards for the preparation of state and local government popular reports.

Award for Outstanding Achievement in Popular Annual Financial Reporting

The County is proud to present that its inaugural PAFR for the for the fiscal year ended November 30, 2008 has been recognized with the Award for Outstanding Achievement in Popular Annual Financial Reporting. We believe that the current PAFR for the fiscal year ended November 30, 2009 also conforms to the high standards of the award program and the PAFR has been submitted to GFOA.

Certificate of Achievement for Excellence in Financial Reporting

As described in the introduction to the PAFR, the information presented within the PAFR was derived from the County's CAFR. The County is proud to present that its CAFR for the fiscal year ended November 30, 2008 has been recognized with the Certificate of Achievement for Excellence in Financial Reporting. This certificate represents the 11th consecutive year that the County has received this award. Anyone who is interested in reading the CAFR can find the report on the County's website at <http://www.co.mchenry.il.us>, under the financial reports link.

Award for Outstanding Achievement in Popular Annual Financial Reporting

PRESENTED TO

County of McHenry
Illinois

for the Fiscal Year Ended

November 30, 2008




President

Executive Director

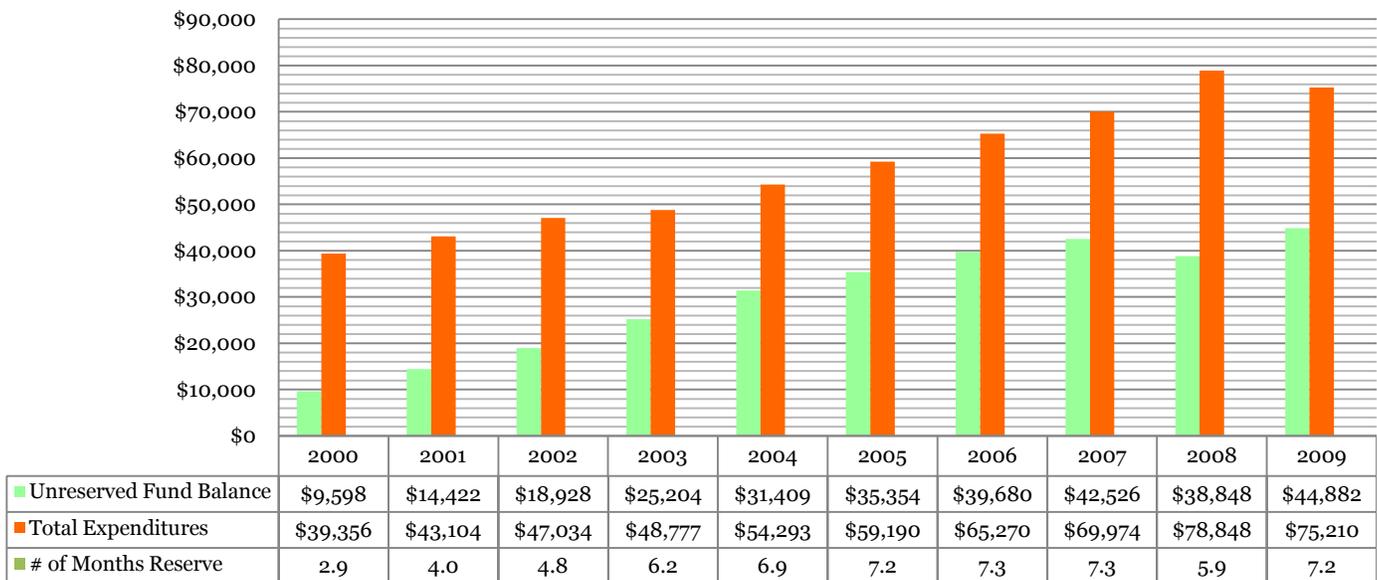
Perspective #1 – Short-Term Financial Health

One important matter in assessing the overall financial health of the County is to first review the County’s short-term financial health. A review of the County’s short-term financial health helps to answer the question: Is the County able to pay its bills (both expected and unexpected) on time? The most useful measure of short-term financial health is the level of unreserved fund balance in the general fund. Unreserved fund balance is a measure of net available financial resources that are available to pay future expenditures. The general fund is the main operating fund of the County.

It is vital for the County to maintain an adequate balance of unreserved fund balance to protect against revenue shortfalls, unanticipated expenditures, or other unexpected events. The Government Finance Officers Association (GFOA) recommends that governments maintain a minimum balance of one to two months of general fund expenditures. GFOA also points out that each government is unique and prudent financial management often suggests that higher levels are needed. During the 1990s, the County’s level of unreserved fund balance represented a reserve of two months of general fund expenditures. The County Board concluded that the reserve of two months was insufficient and created a formal policy requiring the reserve to be increased to a minimum of five months.

The following chart shows the County’s balance of unreserved fund balance compared to total expenditures in the general fund over the last 10 fiscal years.

**General Fund - Unreserved Fund Balance and Total Expenditures
Last Ten Fiscal Years
(in thousands - 000s)**



The level of unreserved fund balance will naturally fluctuate over time. Therefore, one should not place too much emphasis on the level of unreserved fund balance at any one point in time. A more useful question is: What is the pattern of unreserved fund balance over a number of years? As shown above, the County has experienced a positive trend in the level of unreserved fund balance and # of months reserve over the last 10 fiscal years. As of November 30, 2009, the County’s number of months reserve was 7.2, which is in excess of the County’s policy of maintaining a minimum reserve of 5 months. Because of the severe economic recession beginning in 2008, the County took necessary precautions to make sure that the County’s financial health remained strong. Accordingly, the County was able to reduce expenditures from \$78.8 million in 2008 to \$75.2 million in 2009, to help prevent the County’s financial reserves from deteriorating to unhealthy levels.

Overall, this chart demonstrates that the County’s current short-term financial health remains strong, which means that the County is in a good position to withstand potential near-term revenue shortfalls, unanticipated expenditures, or other unexpected events.

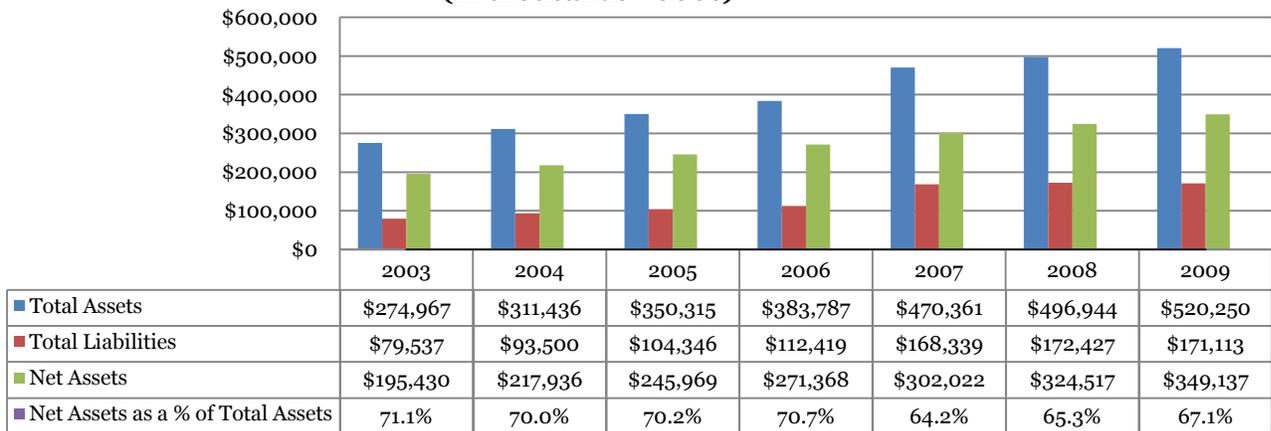
Perspective #2 – Financial Position

Unreserved fund balance in the general fund is a valuable measure of the County's short-term financial health, but it does not provide a complete picture of the County's financial position. Whereas the general fund focuses primarily on current financial resources and liabilities, there is another set of financial statements within the CAFR called government-wide statements, which present information using a perspective that focuses on all economic resources and liabilities. As a result of this broad perspective, the government-wide statements present all of the County's assets and liabilities, including capital assets, such as land, equipment, and buildings, and long-term debt, including outstanding bonds and notes, which are items that are not presented in the general fund. The government-wide statements present a more complete picture of the County's financial position, using a basis that is comparable to the basis used by private businesses.

On the government-wide statements, the difference between total assets and total liabilities is reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The following table shows total assets, total liabilities, and net assets for governmental activities for the last seven fiscal years (government-wide information is only available beginning in 2003):

**Summary of Total Assets, Total Liabilities, and Net Assets -
Governmental Activities
Last Seven Fiscal Years
(in thousands - 000s)**



As shown above, the County's assets have significantly exceeded its liabilities over the past seven years. Also, total assets and liabilities have both increased significantly over the past seven years, which is consistent with the overall growth experienced by the County over the same period of time. Net assets have also increased significantly, from \$195.4 million in 2003 to \$349.1 million in 2009, and have remained consistent as a percentage of total assets, between 64.2% - 71.1%. One major reason for the jump in total liabilities from 2006 to 2007 was the issuance of \$50 million of debt certificates, which were used to fund road construction projects. Overall, the chart shows that the County's current financial position is sound and shows a trend of stability in net assets as a percentage of total assets.

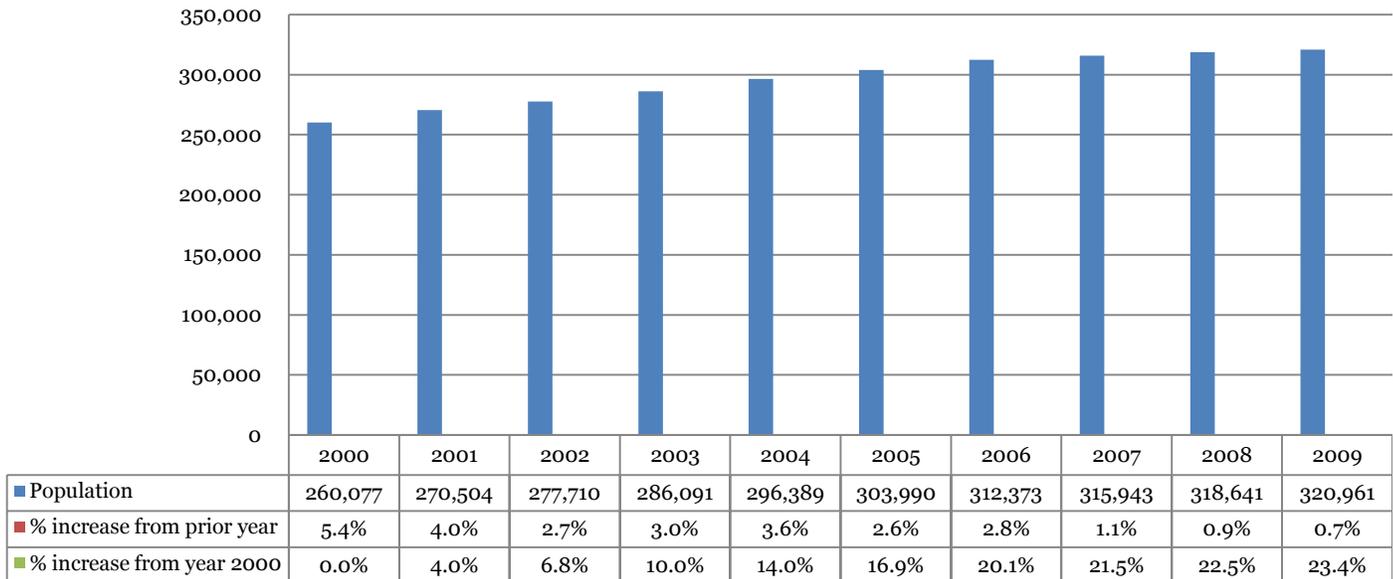
Net assets are further broken down into three categories, invested in capital assets, net of related debt, restricted, and unrestricted. Invested in capital assets, net of related debt, represents the portion of net assets related to capital assets, less any related outstanding debt. Net assets in this category are not available for spending. Restricted net assets represent the portion of net assets that have legal restriction on how the resources may be spent. Finally, all other net assets fall into the unrestricted category. For 2009, invested in capital assets, net of related debt, was \$193.7 million or 55.5% of total net assets, restricted was \$110.6 million or 31.7% of total net assets, and unrestricted was \$44.8 million or 12.8% of total net assets.

Perspective #3 – Economic Condition

While the first two perspectives present valuable insights into the short-term and overall financial position of the County, a review of local, state, and national economic conditions is crucial for a complete evaluation of the County's financial health. Because the County doesn't exist in a vacuum, many different economic conditions and circumstances will ultimately affect the County's future financial position. Considering major economic factors can provide context for interpreting current financial information, as well as provide a basis for assessing the likelihood that the County's current financial position will improve or deteriorate in the future.

The following statistics represent a sample of major economic factors that impact the County's financial situation.

McHenry County Population Last Ten Years

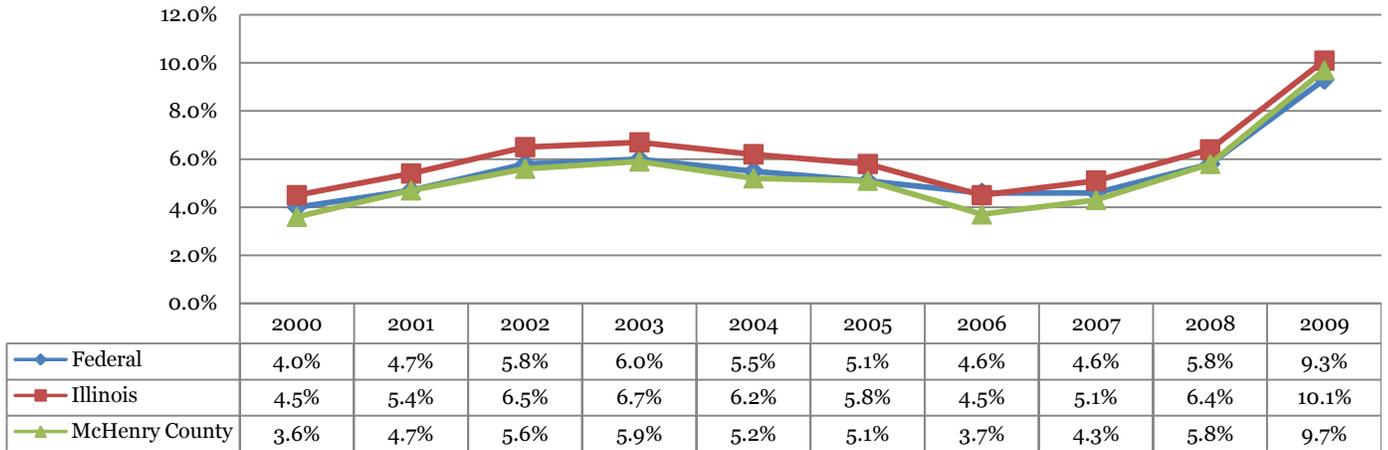


McHenry County Total Assessed Valuation Last Ten Years (in millions)

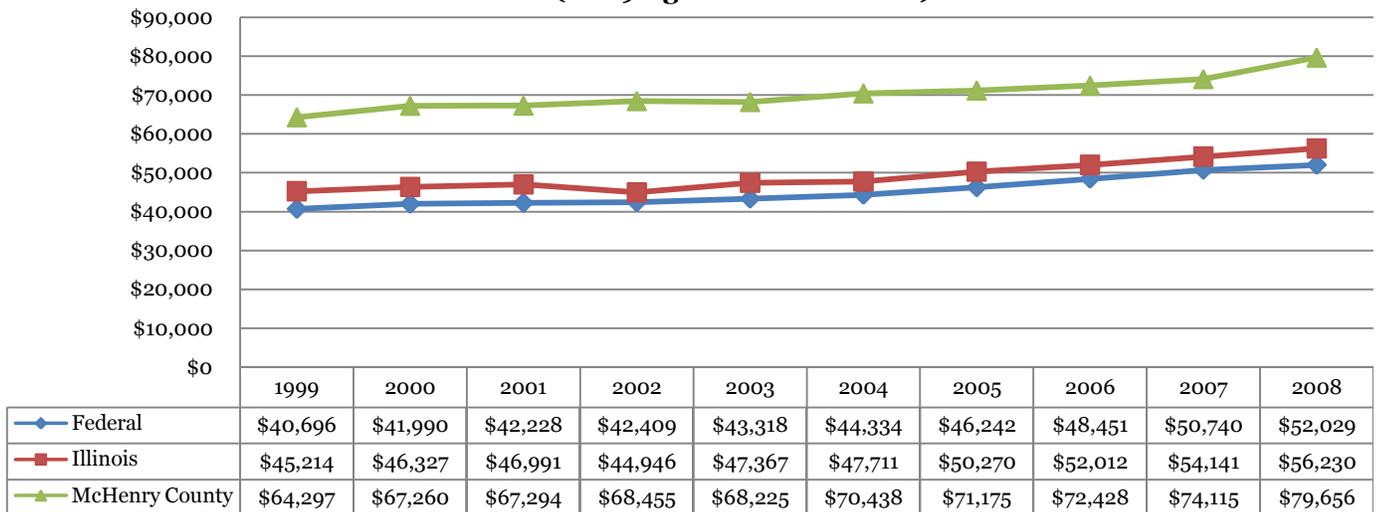


Perspective #3 – Economic Condition (Continued)

**Unemployment Rate
Last Ten Years**



**Median Household Income
Last Ten Years (2009 figures not available)**



The County's population has increased from 260,077 in 2000 to 320,961 in 2009, an increase of 60,884 or 23.4%. However, the rate of growth has slowed, from an average of 3.7% per year from 2000-2004, to an average of 1.6% per year from 2005-2009, with 2009 having the lowest rate in the last ten years (0.7%). Also, the County's total assessed valuation increased from \$5.0 billion in 2000 to \$10.5 billion in 2009, an increase of \$5.5 billion or 109.8%. The rate of growth in assessed valuation has also slowed significantly, with a rate of 3.7% in 2009, compared to an average of 9.8% for the years 2003-2008. Many factors affect the County's population and assessed valuation. Some important current factors include the subprime mortgage crisis, which caused a steady decline in area home values beginning in 2007, and the severe economic recession beginning in 2008. It is unknown how long the current recession may last, but as the recession continues, the County may experience continued slow growth in population and a possibly a decrease in assessed valuations, which could lead to increases in property tax rates.

For the unemployment rate and median household income, it is clear that the current severe economic recession is and will continue to impact the County and its citizens for some period of time. The County unemployment rate increased sharply from 5.8% for 2008 to 9.7% for 2009 and is likely to remain high in 2010. However, the County has consistently rated better than the Federal and State benchmarks for both categories, which indicates the quality of the workforce in the County and suggests that the County is well positioned to endure the recession.

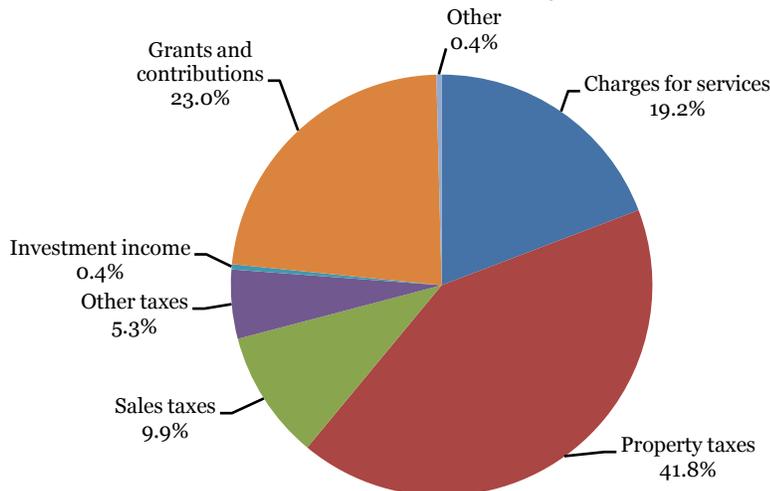
Revenues – What is the County’s Source of Funding?

The County receives its funding from a variety of sources, of which the largest single source is property taxes. The following table and chart present revenues for governmental activities for 2009 and 2008.

County of McHenry Governmental Activities - Revenues

Revenue Source	2009	2008	\$ Change	% change
Charges for services	\$ 31,194,233	\$ 29,884,476	\$ 1,309,757	4.4 %
Grants and contributions	37,232,799	27,797,654	9,435,145	33.9
Property taxes	67,859,666	63,395,685	4,463,981	7.0
Sales taxes	15,983,268	15,003,386	979,882	6.5
Other taxes	8,599,422	10,356,500	(1,757,078)	(17.0)
Investment income	584,228	4,577,645	(3,993,417)	(87.2)
Other	610,453	357,931	252,522	70.6
Total	\$ 162,064,069	\$ 151,373,277	\$ 10,690,792	7.1 %

Governmental Activities - Revenues Fiscal Year 2009



Charges for services represent fees paid by individuals, businesses, or other governments who purchase, use, or directly benefit from the goods or services provided. Included in this category for 2009 is \$12.5 million for jail space rental, \$3.7 million for circuit clerk fees, \$2.0 million for fees on delinquent taxes, and \$1.2 million for recording fees. **Grants and contributions** represent payments or donations from individuals, businesses, or other governments through contractual agreements under which the funds are restricted for use in a particular program. Included in this category for 2009 is \$14.8 million for transportation programs, \$9.9 million for public health and welfare programs, and \$5.5 million for developer donated highway improvements. **Property taxes** represent a tax on all real estate and improvements with the County. Property taxes are considered to be a general revenue source, meaning it is available to fund all programs of the County. **Sales taxes** represent a tax imposed on consumers for the purchase of certain goods and services. The current sales tax rate for general merchandise purchases varies throughout the County from approximately 7.0% to 7.75%. **Other taxes** include \$5.6 million for state income taxes and \$1.2 million for tax transfer stamps for 2009. **Investment income** consists of interest and other income derived from the County’s cash and investments. The principal reason for the decrease in investment income was a steady decrease in interest rates during 2009. Investments returned an average of approximately 1.9% during 2009, compared to 4.2% during 2008. As of November 30, 2009, the average rate of return for investments was only 0.7%. **Other revenues** include gains on the sale of capital assets and miscellaneous revenues.

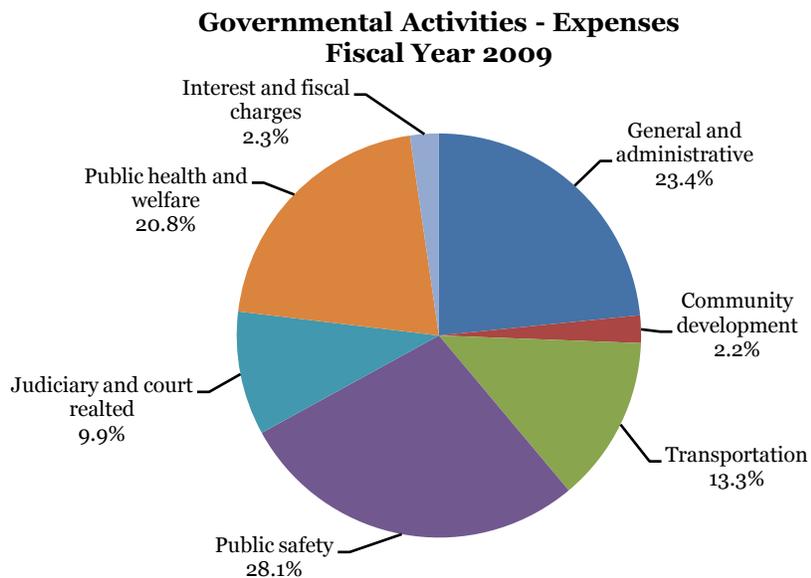
Expenses – What does the County spend its funds on?

The County spends its funds administering a number of vital programs and services for the community. All of the County's activities are grouped into one of the following seven categories that describe the nature of the activity. **General and administrative** includes many essential services for citizens, such as document recording, vital records, election administration, supervision of assessments, and collection of property taxes. Also included in this category are the County Board and administration, finance, accounting, purchasing, human resources, information technology, and facilities management. **Community development** includes long-term land use planning, building permits and inspections, and the zoning board of appeals and is administered by the Planning and Development Department. **Transportation** includes constructions and maintenance of County roads and bridges and long-term transportation planning and is administered by the Division of Transportation. **Public safety** includes the activities of the Sheriff, Coroner, and Emergency Management Offices. The Sheriff's Office represents the largest component of public safety and activities performed include patrol, detectives, County jail, and County garage. **Judiciary and court related** represents all activities related to the 22nd Judicial Circuit Court and includes the activities of the Clerk of the Circuit Court, Court Administration, Court Services, Public Defender, and the State's Attorney. **Public health and welfare** represents programs that protect and promote the general health and well-being of the County and includes the activities of the Health Department, Mental Health Department, Workforce Network, and Veteran's Assistance. **Interest and fiscal charges** represents interest and fees paid on the County's long-term debt.

The following table and chart present expenses for governmental activities for 2009 and 2008.

County of McHenry Governmental Activities - Expenses

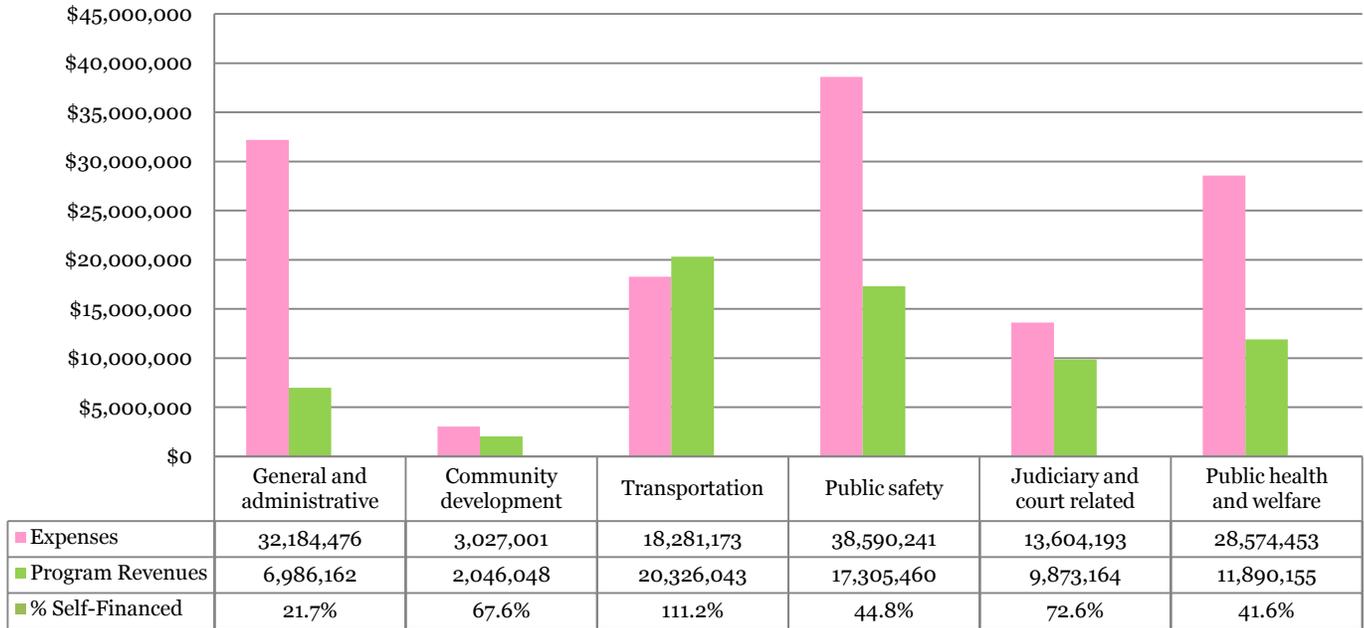
Function	2009	2008	\$ Change	% change
General and administrative	\$ 32,184,476	\$ 36,269,025	\$ (4,084,549)	(11.3) %
Community development	3,027,001	2,169,597	857,404	39.5
Transportation	18,281,173	13,292,664	4,988,509	37.5
Public safety	38,590,241	33,132,115	5,458,126	16.5
Judiciary and court related	13,604,193	13,518,255	85,938	0.6
Public health and welfare	28,574,453	27,184,973	1,389,480	5.1
Interest and fiscal charges	3,182,260	3,312,029	(129,769)	(3.9)
Total	\$ 137,443,797	\$ 128,878,658	\$ 8,565,139	6.6 %



Program Revenues and Expenses by Function

The following chart presents a comparison between direct expenses and program revenues for each of the County's functions. Direct expenses are those that are specifically associated with a function. Program revenues consist of charges for services and grants and contributions, which were described on page 9. All other revenues are considered to be general revenues, which means they are not associated with a particular function and are available to finance all of the activities of the County. The comparison of direct expenses and program revenues identifies the extent to which each function is self-financing or draws from the general revenues of the County.

**Governmental Activities - Expenses and Program Revenues
Fiscal Year 2009**



A high percentage, such as for community development, transportation, and judiciary and court related, indicates that a function is primarily self-financed through program revenues generated by activities within that function. A low percentage, such as for general and administrative, public safety, and public health and welfare, indicates that a function is primarily financed through general revenues. The percentage of self-financing is not a measure of program efficiency, since many important activities cannot inherently generate program revenues, but rather a measure of how increases in service levels could impact the financing needed to pay for such increases. For example, an increase in service levels for an activity that does not generate a significant amount of program revenues, such as activities in the general and administrative function, will likely require an increase in general revenues.

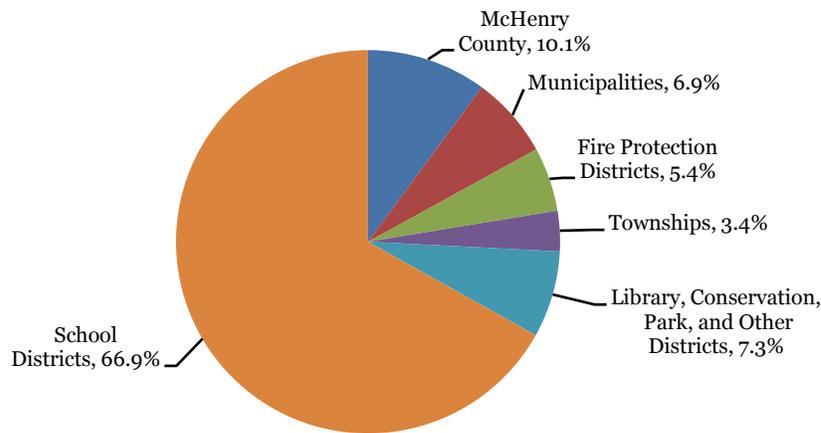
As mentioned above, some activities generate substantial program revenues, while other activities generate only a small amount or no program revenues. For 2009, transportation is the function with the highest percentage of self-financing, with a percentage of 111.2%. Included in the program revenues for transportation is \$9.0 million for motor fuel surcharges, and \$5.5 million for developer donated highway improvements. The reason program revenues exceed expenses for transportation relates to the timing of road construction projects. In years where road construction activity is light, program revenue can exceed expenses. However, once ample resources have been accumulated, major construction activity will take place and expenses will generally exceed program revenues. The function that has the lowest percentage of self-financing is general and administrative, with a percentage of 21.7%. Many of the activities in this category do not provide services directly to individuals, businesses, or other governments, but rather support the operations of other County Departments. Accordingly, such activities do not generate program revenues. These activities include the County Board and administration, finance, accounting, purchasing, human resources, information technology, and facilities management.

Property Taxes

Where do your property taxes go? While the County issues property tax bills each year and is responsible for collecting the payments, only a small portion is retained by the County. The vast majority of property taxes are remitted to other government agencies within McHenry County. There are over 100 separate government agencies that are located, at least partially, within McHenry County. Other districts include cities, villages, school districts, park districts, fire protection districts, library districts, townships, conservation districts, and various other districts. Depending on the specific location of a real estate parcel within the County, property taxes for that parcel will be collected for a combination of separate districts.

The following chart presents the breakout by government type for a typical property tax bill. The chart is for illustrative purposes only, based on an average of all property tax bills. As noted above, each real estate parcel pays property taxes to a varying combination of government agencies, based on its location, and the actual breakout by government type will vary accordingly.

Property Taxes - Breakout by Government Type



As shown on the above chart, the largest component of a typical property bill goes to school districts. The following table illustrates an average breakout by dollar amount for a sample tax bill of \$1,000. Again, the chart is for illustrative purposes only, based on an average of all property tax bills.

**Property Taxes - Breakout by Government Type
Sample Property Tax Bill - \$1,000**

District Type	Amount	% of Total
School Districts	\$ 669	66.9 %
McHenry County	101	10.1
Municipalities	69	6.9
Fire Protection Districts	54	5.4
Townships	34	3.4
Library Districts	26	2.6
Conservation District	25	2.5
Park Districts	20	2.0
Other Districts	2	0.2
Total	\$ 1,000	100.0 %

This PAFR presents an overview of McHenry County’s finances only. The other government districts shown above operate independent of the County. Therefore, in order to determine how your property taxes are being utilized by each district that you pay property taxes to, you would need to separately review financial reports for each district.

Major Accomplishments during Fiscal Year 2009

A major strategic goal for McHenry County's bond rating was achieved in 2010, although the County made continued progress towards it in FY2009. After receiving an Aa1+ rating from Moody's Investor Services for the issuance of the \$4.5 million in General Obligation Long Term Debt Certificates in FY2009, the County received the news that their rating was raised to Aaa on April 16, 2010. This puts the County in the top tier of local governments in terms of financial strength in Illinois and nationally. McHenry County is one of three counties in the State to share this distinction, with DuPage and Lake being the other two. This rating will allow the County to issue debt at the lowest possible interest rate.



The County Board and Administration continued to plan for the future by holding back on major expenses and working in partnership with the County's Offices and Departments to weather the economic storm. As the FY2010 budget was being developed during 2009, County Offices and Departments voluntarily gave back \$1.2 million in their maintenance budgets to the General Fund. By year-end, approximately 30 fewer employees were on the payroll, which was accomplished without mandatory cutbacks or hiring freezes. Additionally, close attention was paid to the FY2009 budget and actual operating results through quarterly monitoring and presentations to the County Board.

The County Auditor's Office was notified of their 11th consecutive year of being awarded the Government Finance Officers Association's Certificate of Achievement for Excellence in Financial Reporting for their FY2008 Comprehensive Annual Financial Report (CAFR). In addition, a FY2008 Popular Annual Financial Report (PAFR) was completed for the first time and received the GFOA's Award for Outstanding Achievement. This sixteen page financial report is summarized from information in the CAFR. The receipt of the PAFR award gave McHenry County the distinction of being the first county in the State of Illinois to receive this honor.



The McHenry County Groundwater Protection Action Plan, a multi-year study of ground water use and protection, was completed and forwarded to all McHenry County municipal governments for their consideration. The Plan is a compilation of best available information for consistent groundwater protection and offers model policies for other governmental entity's use.

Major Accomplishments during Fiscal Year 2009 (Continued)

The County Board developed a new Strategic Plan methodology, which incorporates performance measurements. Adopted in May 2009, the Plan addresses: Transportation and Infrastructure; Growth and Planning; Service Delivery; Revenue and Demand; Livability; and Economic Development and Opportunity. A Strategic Plan Report Card is also maintained to track progress on the 21 performance measures identified. Both the Strategic Plan and the Report Card are available on the County's website under the County Board.



A former bank building at the corner of Rt. 47 and Russell Court was purchased in FY2009 to assist with County's future planning for space needs. In January 2010, the Treasurer's Office moved into the remodeled office. Not only will the location of the Treasurer's Office provide easy access to McHenry County citizens, but it will also offer drive-up capabilities, particularly at real estate tax payment time. The message sign in front of the office will be utilized by the County to update the public on important events.

The Sheriff's Office continued work on the CALEA (Commission on Accreditation for Law Enforcement Agencies) process. The completion of the CALEA accreditation process enhances the professionalism, efficiency, and effectiveness of the department.

Also, as the lead agency for the Prairie Shield Regional Alliance, the Sheriff's Office continued the administration of the PSIC (Public Safety Interoperable Communications) grant, which totaled \$5.1 million for the purchase of first responder communications equipment. The Prairie Shield Regional Alliance was founded in 2005 & is composed of Police, Sheriff, Fire and Emergency Management agencies in Boone, McHenry, DeKalb, Ogle, Winnebago, and Stephenson Counties.



Valley Hi Nursing Home went through some important discussions in 2009 regarding the management of the facility. The County Board hired Revere Healthcare to update policies with best management practices for improved operations, personnel management, and financial management. A decision was made to transition from the third-party management back to County management. Plans for this transition were started in 2009 and implemented in 2010 with the hiring of an administrator.

Major Accomplishments during Fiscal Year 2009 (Continued)

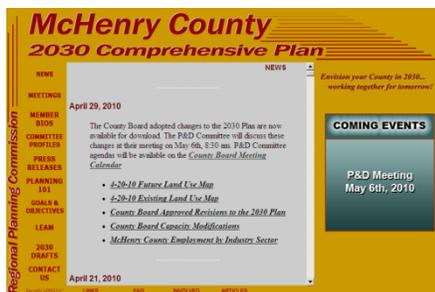
Facility Management applied for and was awarded an Energy Efficiency Conservation Block Grant through the American Recovery and Reinvestment Act (ARRA). The \$2.4 million dollar grant will be used for lighting and other energy efficiency projects at the County's facilities.

Through the implementation of "smart" technologies and a comprehensive energy reduction program the work accomplished through this project will: 1) Save 743,916 kilowatt hours of electricity per year; 2) Save 14,805 therms per year; and 3) Reduce the amount of CO2 exhausted into the atmosphere by 1,655,888 lbs per year, the equivalent to taking 137.6 cars off the road per year.



The Human Resource Department implemented a new County Wellness Program, designed to help control employee health insurance costs. The included an opportunity for employees to have a Health Risk Assessment (HRA) performed by Centegra for analyzing their health status.

More good news on the healthcare cost front is the savings that the County has experienced as a result of moving to a self-funded health care program, with the assistance from Corporate Benefit Consultants. Since starting the plan two and a half years ago, the County has been able to save more than \$1.5 million dollars. The County continues to evaluate health care costs in order to protect the County and to keep employee contribution increases to a minimum.



The Regional Plan Commission's (RPC) work continued during 2009 on the development of the 2030 Land Use Plan for McHenry County. The Commission essentially completed a final version in October 2009 after over two years of public meetings and multiple drafts of the plan. The final plan was adopted at the April 20, 2010 County Board meeting.

Major Accomplishments during Fiscal Year 2009 (Continued)

The Integrated Court Information System (ICIS) was successfully implemented in May 2009. The case management system was the first phase of ICIS and the following phase was integration of ICIS with OnBase, the Circuit Clerk's document imaging software. When finished with additional phases, the system will also provide functionality for the State's Attorney, Public Defender, and Court Services/Probation.



The H1N1 Pandemic saw the Health Department responding to the needs of the citizens. In addition, the Health Department did an excellent job of keeping the public informed of the spread of the H1N1 flu, the availability of clinics for shots, and preventative methods to control or stop the spread of the disease.

A new Court Administrator started in December 2008 after the retirement of the former Administrator. James "Dan" Wallis, who served in a similar position in Morrow County, Ohio, took over the reins to oversee the courthouse's general administrative functions. This includes the Administration office, Law Library, and the Self-Help Center.



In May 2009, a representative from the U.S. Department of Housing and Urban Development presented the County with \$3.085 million in funding for the Neighborhood Stabilization Program (NSP) for the turnaround of foreclosed homes. This program will enable the County to address the issue of foreclosures by purchasing foreclosed or abandoned properties, fix them up, and rent or sell these properties to low income households. This will assist in stabilizing the further decline of neighborhood communities.

The County's Information Technology (IT) Department added many new features to both internal and external resources during 2009. A new look and easier navigation was added for the County's website and continued enhancements are occurring. A migration from Novell Enterprise to Microsoft Exchange was completed in FY2009.



McHenry County Elected Officials

County Board Members

<u>District/Name</u>	<u>Term Expires</u>	<u>District/Name</u>	<u>Term Expires</u>
District 1		District 4	
Yvonne M Barnes	December 2010	Sue Draffkorn	December 2012
Robert Bless	December 2012	John Hammerand	December 2012
Anna May Miller	December 2010	Pete Merkel	December 2010
Marc Munaretto	December 2012	Sandra Fay Salgado	December 2010
District 2		District 5	
J.S. Breeden	December 2012	Tina Hill	December 2010
James Heisler	December 2012	James P Kennedy	December 2010
Kenneth D. Koehler	December 2010	Virginia Peschke	December 2012
Lyn A. Orphal	December 2010	Paula Yensen	December 2012
District 3		District 6	
Kathleen Bergan Schmidt	December 2012	Randall Donley	December 2012
Mary L Donner	December 2012	Mary T McCann	December 2010
Ed Dvorak	December 2010	Daniel P Ryan	December 2010
Barbara Wheeler	December 2010	Ersel C Schuster	December 2012

Elected Officials

<u>Office/Name</u>	<u>Term Expires</u>	<u>Office/Name</u>	<u>Term Expires</u>
Auditor		Sheriff	
Pamela Palmer	December 2012	Keith Nygren	December 2010
Circuit Clerk		State's Attorney	
Katherine Keefe	December 2012	Louis A. Bianchi	December 2012
Coroner		Supt of Educational Service Region	
Marlene A. Lantz	December 2012	Gene Goeglein	December 2010
County Clerk		Treasurer	
Katherine C. Schultz	December 2010	William LeFew	December 2010
Recorder			
Phyllis K. Walters	December 2012		

Reference Information

For a comprehensive listing of the services that the County provides for its citizens and businesses, visit the County's website at <http://www.co.mchenry.il.us/>

County Agencies and Departments	Phone #	Fax #
General and Administrative		
Assessments	815-334-4290	815-338-8522
Board of Review	815-334-4282	815-338-8522
County Administration	815-334-4000	815-338-3991
County Auditor	815-334-4204	815-334-4621
County Board	815-334-4221	815-338-3991
County Clerk	815-334-4242	815-334-8727
County Recorder	815-334-4110	815-338-9612
Facilities Management	815-334-4016	815-334-0534
Geographic Information Systems	815-334-4280	815-334-4652
Human Resources	815-334-4220	815-334-4648
Information Technology	815-334-4138	815-334-4651
Liquor Control Commission	815-334-4214	815-338-3991
Purchasing	815-334-4818	815-334-4680
Regional Office of Education	815-334-4475	815-338-0475
Treasurer and Ex-Officio Collector	815-334-4260	815-338-1737
Community Development		
Planning & Development	815-334-4560	815-337-3720
Zoning Board of Appeals	815-334-4561	815-337-3720
Transportation		
McHenry County Division Of Transportation	815-334-4960	815-334-4989
Public Safety		
County Coroner	815-338-2144	815-338-1405
Emergency Telephone System Board - Enhanced 911	815-337-7911	815-337-9911
McHenry County Emergency Management Agency	815-338-6400	815-334-4633
McHenry County Sheriff's Office	815-338-2144	815-338-9285
Judiciary and Court Related		
Circuit Clerk - Civil/Probate/Divorce	815-334-4310	815-338-8583
Circuit Clerk - Felony/Juvenile	815-334-4313	815-338-8583
Circuit Clerk - Traffic/Misdemeanor	815-334-4190	815-334-0516
Court Administration	815-334-4385	815-338-0248
Court Services	815-334-4400	815-338-8895
Jury Commission	815-334-4390	815-338-0248
Public Defender	815-334-4170	815-334-4692
State's Attorney	815-334-4159	815-337-0872
Public Health and Welfare		
McHenry County Animal Control	815-459-6222	815-334-4682
McHenry County Cooperative Dental Clinic	815-337-5616	815-337-5624
McHenry County Department of Health	815-334-4510	815-334-4635
McHenry County Mental Health Board	815-455-2828	815-455-2925
McHenry County Tuberculosis Care & Treatment Board	815-334-4500	815-337-8740
McHenry County Workforce Investment	815-338-2437	815-338-7125
McHenry County Workforce Network	815-338-7100	815-338-7125
Valley Hi Nursing Home	815-338-0312	815-338-0458
Veteran's Assistance Commission	815-334-4229	815-334-4678