

**MINUTES OF THE  
SEPTEMBER 3, 2013 REGULAR MEETING  
OF THE TOWN OF SUGAR GROVE  
KANE COUNTY, ILLINOIS**

**CALL TO ORDER:** Clerk Silagi called the meeting to order at 7:00pm followed by the pledge of allegiance.

**ROLL CALL** was taken. Present were: Trustees Lee Drendel, Mike Fagel, Laurene Geary, and Scott Hester, Road Commissioner Huggins, Supervisor Tom Rowe, and Clerk Phil Silagi.

**ALSO PRESENT:** Melissa Taylor, Jean Lindsay, Terry Lindsay, Al Markus, Shari Baum. See attached sign in sheet for others in attendance.

**PRESENTATION OF ANNUAL AUDIT BY MR. ABDULLAH KAHN, KNUTTE & ASSOCIATES:** Mr Kahn began the presentation by commenting on the cooperation of Supervisor Rowe and staff in providing the necessary documents in a timely manner which expedited the process. Mr Kahn then highlighted the following areas of the audit.

**CONTROLS:** The audit determines if the correct controls are in place to prevent fraud. Mr Kahn then explained that they sampled 40 disbursements to determine if they were documented by invoices and properly approved. The sample contained only 6 disbursements not properly documented and they were all prior to November of 2012 which was during the tenure of the previous administration. Road Commissioner Huggins then asked if any of the improper disbursements were from the Road District Fund. Mr. Kahn then clarified that they were not in the Road District Fund. Mr Kahn concluded that since no improper disbursements occurred since November, disbursement controls appear to be working properly. Samples were also made of 40 deposits and two entire payroll periods with no irregularities found.

Mr Kahn then suggested the following procedures be adopted to improve controls: Two signatures for check signing - already adopted. Credit card purchases to be approved by the board with a \$500 limit on single purchases - Supervisor Rowe stated that this has already been implemented with a \$250 single purchase limit. Journal entries to be reviewed by the Supervisor. No signature stamps - not being used. Supervisor should receive all deposits - Supervisor Rowe stated that he is currently signing off on all deposits. Trustee Hester then asked for clarification on how this would improve security. Mr Kahn stated that since management is ultimately responsible, this improves security. Also since Jim is making the deposits after Supervisor Rowe signs off on them, this adds another person in the process which improves security.

**AUDIT HIGHLIGHTS:** Mr Kahn stated that to recap the results of the audit, he felt that Sugar Grove Township was in great financial shape and was financially stable. However, he had some concerns with regard to large fund balances, particularly in the Road and Bridge Fund. He suggested either decreasing the levy, or spending more money. Trustee Fagel asked if there was a third option of a tax rebate and whether it had ever been done. Mr Kahn said it was definitely a possibility, however, he had never been aware of it being done elsewhere. Road Commissioner Huggins stated that he has been decreasing the levy. Mr Kahn also expressed some concern with regard to the General Assistance Fund and suggested more money be spent. Mr Kahn felt that since the Board has adopted many of the control recommendations, the risk of fraud is very low. Mr. Kahn concluded by rating the audit as unqualified or in other words, a clean audit.

Supervisor Rowe stated that he appreciated the efforts of Knutte and Associates on short notice and felt that the process went well.

**AUGUST 5, 2013 REGULAR MEETING MINUTES:** Trustee Hester motioned, and Trustee Drendel seconded the motion to approve the August 5, 2013 meeting minutes. Trustees Drendel, Geary, Fagel, and Hester, and Supervisor Rowe voted aye. 0 nays. Motion carried.

**ACCOUNTS PAYABLE:**

TOWNSHIP: After review Trustee Hester moved and Trustee Geary seconded a motion to approve the August Town accounts payable as presented. Trustees Hester, Drendel, Geary, and Fagel, and Supervisor Rowe voted aye. 0 nay. Motion carried. The balance in the Township checking account as of August 31, 2013 is \$186,837.68.

ROAD & BRIDGE: After review and discussion, Trustee Drendel moved and Trustee Fagel seconded a motion to approve the August Road and Bridge accounts payable as presented. Trustees Fagel, Hester, Geary and Drendel, and Supervisor Rowe voted aye. 0 nay. Motion carried. The balance in the Road & Bridge checking account as of August 31,2013 is \$369,928.98.

**REPORTS:**

SUPERVISOR'S REPORT: Supervisor Rowe reported the following: Senior Center IGA approval is 2/3 completed and is awaiting Park District approval next Monday evening. Bliss House repairs will begin the week of Sept. 16th. Minor repairs to the bus barn doors have been completed by BDK Door. The Village of SG will have an open house on Sept. 17 from 5 to 7PM. The Road District CD has matured at Byron Bank and he will be picking it up tomorrow to be invested locally. He attended a Ride in Kane meeting and is discussing a possible partnership with Aurora Township to bring transportation to senior and disabled citizens of Sugar Grove Township. He has distributed TOI membership cards to Board member and has ordered handbooks to be distributed when they come in. General Assistance has one client.

ASSESSOR: No report, however, willing to meet with Board members upon request.

ROAD & BRIDGE: Commissioner Huggins reported that striping has been completed for the season. He also reported that there was one patch remaining on Densmore road. Crews are currently busy with trimming, chipping, and mowing. Trustee Fagel asked about salt stockpiles for the upcoming winter season and Commissioner Huggins reported that there were adequate supplies on hand and to be delivered. \_

CLERKS REPORT: No Report.

TRUSTEES REPORT: Trustee Drendel reported the following from the Community House meeting: Current webmaster is no longer providing services. They plan to retain Crown Landscaping for sidewalk snow removal, however, they would be willing to accept proposals from other contractors solicited by the Township as a separate itemized bid.

COUNTY: MELISSA TAYLOR: The Big Rock campground is now open on Granart Rd. The

Orchard Road northbound lanes over I-88 are open and work has begun on the southbound lanes. Jericho Rd bridge project still under way. Hearings for SG Township property tax appeals are scheduled. \_

#### **UNFINISHED BUSINESS:**

1. Swanson's Quality Services Quickbooks Update: Supervisor Rowe presented a draft of the new profit and loss statements. He reported that they are not quite 100% implemented, but close. Payroll accounts will probably be switched over at the beginning of next year.
2. Update on Prairie Glen Property: Supervisor Rowe reported that on Aug. 13th he met with the Bank, Park District, Village, and Road District regarding the property. The Bank lowered the price to \$12,500 per acre at the meeting and later by phone lowered it to \$12,000 per acre. At the meeting, the Village expressed support for the project, but said it would not agree to lighted ball fields, and Road District facilities on the land. They also stated that they would not be able to fund any of the development of the property. The Park District also expressed support but no financial participation. At the meeting the Road District announced that it was pulling out of the project and looking for an alternative site. Supervisor Rowe then asked for public comment. Public discussion included current ownership of the property, the possibility of funding development through grants, and other uses for the property if purchased by the Township. Supervisor Rowe concluded discussion by stating that in the event the project moves forward, Township participation would be limited to the purchase of the property, not development.

#### **NEW BUSINESS:**

1. 2013 Mental Health Tax Levy Ordinance Request: Supervisor Rowe asked the Board to review the letter from Jerry Murphy regarding his 2013 tax levy request. This levy will be rolled into the Township levy when adopted later this fall.
2. Approval to Accept Annual Audit for Period Ending March 31, 2013: Supervisor Rowe asked for a motion to accept the annual audit as submitted by Knutte & Associates: Trustee Geary motioned, seconded by Trustee Hester, to accept the Annual Audit for the Period Ending March 31, 2013. Trustees Geary, Hester, Drendel, and Fagel, and Supervisor Rowe voted aye. 0 nays. Motion carried.
3. Annual Treasurer's Report Draft: Supervisor Rowe explained that along with the AFR, the Treasurer is required to publish a summary revenue and expense report for the Township and the Road District. Supervisor Rowe provided a draft of this report for Board review. Discussion of the cost of publication in the Beacon vs. The Elburn Herald then took place. Supervisor Rowe stated that he would compare prices and publish in the lowest cost paper.

**EXECUTIVE SESSION:** At 8:27pm, Trustee Drendel moved and Trustee Fagel seconded a motion to convene into Executive Session to discuss the purchase or lease of real property for the use of the public body, including meetings held for the purpose of discussing whether a particular parcel should be acquired [5ILCS 120(c)(5)]. Also discussion of minutes of meetings lawfully closed under the Act, whether for purposes of approval by the body of the minutes or semi-annual review of the minutes as mandated by Section 2.06(22) [5 ILCS 120 (c)(21)].

**RETURN TO REGULAR SESSION:** At 9:25pm, Trustee Drendel moved and Trustee Hester seconded and the Board unanimously approved adjourning the Executive Session and returning to Regular Session. Trustees, Drendel, Hester, Fagel, and Geary, and Supervisor Rowe voted aye. 0 nays. Motion Carried.

**JUNE 11, 2012 EXECUTIVE MEETING MINUTES:** Trustee Drendel moved, seconded by Trustee Fagel , a motion to approve the June 11, 2012 executive meeting minutes. Trustee, Drendel, Hester, Fagel, and Geary, and Supervisor Rowe voted aye. 0 nays. Motion carried.

**STATEMENT OF THE BOARD WITH REGARD TO PRAIRIE GLEN:** Supervisor Rowe announced that the Board has decided to convene a special meeting of all Township entities to develop a 5 year strategic plan and then weigh our options after that process is concluded.

**ADJOURNMENT:** Trustee Fagel moved, Trustee Drendel seconded and the Board unanimously approved adjourning the regular meeting at 9:28pm.