

**MINUTES OF THE
AUGUST 1, 2017 REGULAR MEETING
OF THE TOWN OF SUGAR GROVE
KANE COUNTY, ILLINOIS**

CALL TO ORDER: Supervisor Rowe called the meeting to order at 6:02pm followed by the pledge of allegiance.

ROLL CALL was taken. Present were: Trustees Lee Drendel, Laurene Geary, and Jim Baker, Supervisor Tom Rowe, and Clerk Phil Silagi.

ALSO PRESENT: Abdullah Khan, Shari Baum, Jeff Babich, Jim Kreitz, Dan Nagel, and Curt Karas.

PRESENTATION OF ANNUAL AUDIT: Mr. Abdullah Kahn, Knutte & Associates

Mr. Kahn began his presentation by stating that this is their fourth year of conducting the audit and that over the four years they have suggested various control and improvement measures that have largely been implemented. Mr. Kahn went on to explain that their job was simply to ensure that the financial statements were accurate and to review controls to correct and improve the accuracy. The items noticed during testing that needed improvement were all minor improvements. The only major deficiency was the lack of control over the preparation of financial statements which means that the Township doesn't prepare their own financial statements. About 95% of Knutte's clients have a similar situation so it is not a big deal, however, it is something Knutte needed to inform the Township of. Minor control improvements suggested are: (1) Formal timesheets should be completed for each employee, specifically Assessor's office employees, and signed off on by the Supervisor. (2) The Township should consider moving backup files off site in the event of a fire or natural disaster. (3) Cash not expected to be expended within one to two years should be invested in a money market or CD account. Supervisor Rowe noted that this recommendation has been implemented recently with the Bank of Montgomery CD. (4) Meeting minutes for the Community Bldg. for some months were missing. All Board minutes should be retained going forward. Shari Baum commented that she would like to see a policy that would allow removal of the person responsible for meeting minutes for continued failure to produce and submit minutes to the Board. (5) The Quickbooks file must be updated to agree to the audit amounts as of the end of the last fiscal year. Quickbooks journal entries and postings should not be made in a prior audit year. Jim Kreitz stated that these recommendations have been implemented. (6) Accrued vacation should be tracked for each employee on a monthly basis and each Supervisor should reconcile the accrued vacation balance to the corresponding payroll accounts. (7) The General Assistance Fund contains a large fund balance which Knutte advises the Township to continue to modify to include more general assistance expenditures. Mr. Kahn then summarized the financial statements. The income statement reflects a profit of \$335,000 which would allow the Township to provide additional services and still have an adequate reserve. With regard to the various fund balance sheets, all have positive balances and plenty of cash. Mr. Kahn explained that balances should not exceed 2.5 times annual expenditures to avoid tax objections. All fund expenditures have remained within budgeted amounts. Overall Mr. Kahn stated that they found no deficiencies in audit, which reflects proper Board oversight. Mr. Kahn commented that he personally audits three Townships, and of the three, he places Sugar Grove Township on top in terms of financial management.

PUBLIC COMMENT: None

JULY 11, 2017 REGULAR MEETING MINUTES: Trustee Geary motioned, and Trustee Drendel seconded the motion to review and approve the July 11, 2017 regular meeting minutes. After review, Trustees Drendel, Geary, and Baker, and Supervisor Rowe voted aye. 0 nays. Motion carried.

ACCOUNTS PAYABLE:

TOWNSHIP: Trustee Drendel motioned and Trustee Geary seconded the motion to review and approve the July Town accounts payable. After review, Trustees Drendel, Geary, and Baker, and Supervisor Rowe voted aye. 0 nay. Motion carried. The balance in the Township checking account as of July 27, 2017 is \$361,819.71.

ROAD & BRIDGE: Trustee Geary motioned and Trustee Drendel seconded the motion to review and approve the July Road and Bridge accounts payable as presented. Trustees Baker, Drendel, and Geary, and Supervisor Rowe voted aye. 0 nay. Motion carried. The balance in the Road & Bridge checking account as of July 26, 2017 is \$605,696.24.

REPORTS:

SUPERVISOR'S REPORT: Supervisor Rowe presented a written report of his activities during the last month. He also wanted to highlight the following items: Supervisor Rowe informed the Board of the upcoming TOIKC meeting Aug. 23rd at St. Charles Twp. Jerry Murphy, Executive Director of the Mental Health Board sent a letter requesting a levy increase for the 2017 Mental Health Tax Levy. The increase would be new construction of 1.71% plus CPI of 2.10%, for a total of 3.81% or \$4,239.00. The TOI annual conference will be held in Springfield Nov. 12 – 14. Attended a bike path meeting with the Village, and Kane County Forest Preserve. They are interested in partnering with the Township and Park District on a Phase I Engineering Study for a bike bridge over Blackberry Creek. Supervisor Rowe then presented a request from the Corn Boil Committee for storage space in the bus barn. After discussion the Board agreed that the Township could not accommodate their request without displacing current users. The Board will discuss space to store a POD type unit at a later meeting if no other options are available. Lastly, Supervisor Rowe presented the Board with a survey he requested from other Kane County Townships regarding employee health insurance coverage offered. He concluded that most Townships cover the employee at 100% with contributions for dependents from 10 to 100%. This information will be useful as the Board looks at options for employee health insurance coverage.

ASSESSOR: No report.

ROAD & BRIDGE: No report.

CLERKS REPORT: No report.

TRUSTEES REPORT: Trustee Drendel reported that the Community House bathroom remodel has been completed, the gym floor has been refinished, tree trimming has been done, and a complete tear off and reroof is scheduled for later this month. Dan Nagel asked if the back brick wall was being sealed. He noted that sealing was necessary every 5 years due to porous brick. Trustee Drendel was not aware of this and will follow up with Dan Nagel. Trustee Geary reported that the Mental Health Board is concerned with revenues as a result of the uncertain budget situation in Springfield. She also reported that Supervisor Rowe has arranged for the Mental Health Board logo to appear on the Township web site along with a link. Lastly Trustee Geary submitted her letter of resignation from the Sugar Grove Township Board due to the sale of her home and relocation to another area. Her resignation is contingent on her house closing August 14th. Supervisor Rowe thanked her for her service.

UNFINISHED BUSINESS:

1. Draft of Resolution 2017-D Sugar Grove Township Supporting an Intergovernmental Agreement between Sugar Grove Township and Sugar Grove Water Authority for the Purpose of Water Supply Planning: Supervisor Rowe explained that this draft was just complete by Ancil Glink and that he wanted to present it to the Board for review before acting on it at a later meeting.
2. Draft of Resolution #2017-E for Sugar Grove Township to Expend Funds Directly to Sugar Grove Water Authority for Local Ground Water Monitoring Plan: Similar to Resolution 2017-D, this draft is for Board review and action at a later meeting. Dan Nagel explained that funds expended under this resolution would be for incidental items not funded directly by the Water Authority or the Kane County Grant. Nagel then commented that once the resolutions are in place they will be seeking easements for the properties where the wells will be monitored. Supervisor Rowe then stated that the final resolution will be a single resolution 2017-D with the funding portion (2017-E) being an exhibit within the resolution. Rowe then went on to outline the funding portion which will be a three year commitment with not to exceed limits of \$10,000 the first year, \$9,200 the second year, and \$4,791 in the third year.
3. Consideration & Potential Approval of Office Assistant Payroll Increase: Supervisor Rowe stated that Jim has previously been given annual increases of \$1 an hours and has been a reliable employee and overall does good work in spite of occasional mistakes and inaccuracies. As a result, Supervisor Rowe feels a 50 cent hourly increase would be appropriate as a COLA increase as opposed to a merit increase. After a brief discussion, the Board unanimously approved an hourly increase of 50 cents per hour for the Office Assistant.

NEW BUSINESS:

1. Consideration & Potential Approval of Mental Health 708 Board Appointment: Supervisor Rowe presented the Board with a letter from Jerry Murphy Executive Director, requesting the appointment of Emily Chilelli to the 708 Board. After a brief discuss explaining the 708 Board to new Trustee James Baker, Trustee Geary motioned, seconded by Trustee Drendel to Appoint Emily Chilelli to the 708 Mental Health Board in August for a four-year term ending June 30, 2021. Trustees Baker, Drendel, and Geary, and Supervisor Rowe voted aye. 0 nays. Motion carried.

2. Consideration & Potential Approval of Audit for Year Ended March 31, 2017: Trustee Geary motioned, and Trustee Baker seconded the motion for Approval of the Audit for Year Ended March 31, 2017. Trustees Baker, Drendel, and Geary, and Supervisor Rowe voted aye. 0 nays. Motion carried.
3. Consideration & Potential Approval of FY17 Annual Treasurer's Report: Supervisor Rowe presented the Board with the Annual Treasurer's Report which he noted was reviewed by the Auditor. Trustee Geary motioned, seconded by Trustee Drendel to Approve the FY17 Annual Treasurer's Report as presented. Trustees Baker, Drendel, and Geary, and Supervisor Rowe voted aye. 0 nays. Motion carried.

ADJOURNMENT: Trustee Geary motioned, Trustee Baker seconded the motion and the Board unanimously approved adjourning the regular meeting at 7:45pm.