

**GRAFTON TOWNSHIP BOARD**  
**SPECIAL MEETING MINUTES DRAFT**  
**August 25, 2011**

**1. Call to Order/Roll Call**

Supervisor Moore called the Special Meeting to order at 7:30 p.m.

Present: Supervisor Moore, Clerk Ford, Trustees Murphy, Zirk, LaPorta, McMahon, Road Commissioner Freund

Absent: Assessor Ottely

**2. Pledge of Allegiance**

The Pledge of Allegiance was said at this time.

**3. New Business**

**A. Presentation of draft audit for fiscal year ending 2010**

Paul Thermen, C.P.A. and Jeffrey Rollefson, C.P.A. from Evans, Marshall & Pease, P.C. were present. Mr. Thermen presented an overview of the draft audit report. He explained that the final report had not been issued. He is awaiting a response to an inquiry from the law firm of Ancel, Glink regarding their services. Trustee LaPorta asked a question regarding the *Statement of Net Assets* and *Statement of Activities* - modified cash flow basis-is that typical for townships? Mr. Thermen replied "yes," that it is a common accounting device. All funds listed as "Major" category, rather than non-major-is that typical? Mr. Thermen answered "yes" General funds and general assistance funds, not all have Road Districts, but all could be termed "major funds". Trustee LaPorta asked them to define "proprietary funds" and "fiduciary funds." Mr. Thermen did so. Trustee LaPorta referenced Page 14 *Summary of Accounting Policies* -he asked about the bus service. Mr. Thermen stated that the primary objective of the service is not to make money. Trustee LaPorta asked about Page 21-the IMRF status; it is underfunded; should there be concern? Mr. Rollefson stated that this is common in Illinois. Trustee McMahon left the meeting at 7:40 p.m.

Trustee LaPorta asked about Page 23 and stated that accrued liability has increased, but the funding ratio has decreased. He also stated that in the Actual/Original Budget (Page 24) that the Township was over budget on items and that they are not suppose to be. He also asked why there are no actual numbers on certain lines. Mr. Thermen responded by stating that a Budget can be adjusted up to 10% as long as the total budget does not change. Trustee LaPorta asked about p. 22 Contingencies regarding the food pantry. He stated that sentence 2 was not true. Trustee Zirk stated that under previous Supervisor Millie Ruth the food pantry was run out of her personal "change purse/checking account." No Township funds were utilized. Mr. Thermen stated that he is not an attorney, but he believes it is very feasible that financials should be included with Township financials. Trustees LaPorta and Zirk both stated that Mr. Rossi, although Township Supervisor, served as President of the Food Pantry as an individual. Mr. Thermen stated that in his opinion, if so desired, the Board should take action to hand over the food pantry as a private entity. Trustee Murphy asked why this did not come up during the previous audit with Eder and Casella. Mr. Thermen stated it was noted, but it was not a related entity.

Trustee LaPorta asked if adjusted journal entries were required during the audit. Mr. Thermen stated "yes," and it will be noted in the Management Letter when both audits are completed. Trustee LaPorta asked how many? Mr. Thermen said fewer than a dozen. Trustee LaPorta asked about the Auditor Questionnaires that were submitted by elected officials. Mr. Thermen said that he was unsure of the time frame of some of the information and that he thought some of it was political minutia. Trustee LaPorta said that open and detailed responses with substantial back-up were submitted to the audit firm. Trustee LaPorta stated that there was money transferred between line items and significant discrepancies and they were explained as errors in Quick Books. He would like to avoid this in the future. Mr. Thermen stated that this

was a legal issue, more than financial. Supervisor Moore asked for specifics. Trustee LaPorta stated that policies and procedures are a concern because of previous legal issues and that he is hopeful that the Management Letter will provide direction for the future.

General discussion on the fact that this document is a draft. Trustee LaPorta stated that since it has now been given to two members of the media and general public, the report is now public. He believes, as did other Trustees, that there are inaccuracies regarding statements made about the Grafton Food Pantry, a 501 ( c ) (3).

Trustee Zirk stated that Supervisor Moore's agenda was in violation of the Open Meetings Act since the posted Agenda did not include Public Comment. The meeting was then opened up for public comment.

**4. Public Comment**

Donna McMahan

**5. Adjournment**

**Motion was made by Trustee Zirk, seconded by Trustee LaPorta, to adjourn the Special Meeting.**

**Voice Vote**

**AYES: Supervisor Moore, Trustees Zirk, LaPorta, Murphy**

**NAYS: None**

**ABSENT: Trustee McMahan**

**Motion Passed/Meeting adjourned at 8:50 p.m.**

Submitted,

Harriet Ford  
Grafton Township Clerk