

**BRUCE TOWNSHIP
ANNUAL TOWN MEETING
MINUTES
6:00pm
TUESDAY, APRIL 11, 2017**

COPY

Clerk Sheryl Sedlock called the 2017 Annual Town Meeting for Bruce Township to order at 6:00pm on April 11, 2017. Clerk Sedlock noted for the record that everyone present had signed in and, after having their residency verified using the Supervisor of Elections Voter Registration List dated 4/7/2017 obtained from the La Salle County Clerk, residents of Bruce Township were given a green sticker to indicate that they were eligible to vote on any matters on the agenda for the meeting. There were 24 people signed in at the start of the meeting and 23 verified to have voter status of Active. Clerk Sedlock then moved to the first order of business which was the nomination of a Moderator to conduct the meeting. A motion was made by Marsha Johnston, seconded by Henry Araujo, to nominate Gerald (Jerry) Christensen as Moderator. Clerk Sedlock called for any other nominations. No other nominations were received. Clerk Sedlock closed the nominations. Clerk Sedlock called for a vote on the nomination of Jerry Christensen and Jerry Christensen was elected Moderator by unanimous vote. Clerk Sedlock administered the Oath of Moderator to Jerry Christensen.

ORDER OF BUSINESS

PLEDGE TO THE FLAG:

Moderator Christensen led the Pledge of Allegiance to the Flag.

PUBLIC COMMENT:

Moderator Christensen asked for any Public Comment. Steve Biroschik made a point of order asking Moderator Christensen whether discussion would be allowed throughout the meeting on the various agenda topics or only allowed during the Public Comment section. Moderator Christensen confirmed that residents would be allowed to speak throughout the meeting on the topics covered by the agenda. There were no additional public comments voiced from the floor at this time.

TREASURER'S REPORT:

Moderator Christensen asked if everyone had a chance to review the Supervisor's Statement of Financial Affairs for the Town Fund for the period of April 1, 2016 through March 31, 2017 which had been posted in the lobby of the Bruce Township Office Building on April 7, 2017 for public review. Steve Biroschik asked if the report had also been posted on the Bruce Township Website. Clerk Sedlock responded that the Agenda was posted online on the Bruce Township website but the documents were not posted on the website. A resident asked if other township's post their reports prior to the Annual Town Meeting. Clerk Sedlock responded that townships that have full-time clerks are required to post certain documents on their websites; however, she was not sure if they were required to post these documents. She noted that Bruce Township only has a part-time clerk so Bruce Township is not required to post documents on our website. She went on to say that Bruce Township has had a website for about 4 years and has been adding

content to it gradually over time. Steve Biroschik suggested posting it for future meetings. Clerk Sedlock acknowledged his suggestion and indicated that it may be possible in the future. Moderator Christensen asked if there were any other comments on the Supervisor's Statement of Financial Affairs. Steve Biroschik made an observation that the township appears to be "flush with a lot of cash" at the current time and, with respect to the General Assistance (GA) Fund, may have even more funds if the proposed funds transfer on the agenda of this meeting is adopted. He then went on to suggest that the township consider not levying any taxes for the GA Fund for a year or two. He went on to point out that most of the Townships budget is spent on salaries. He felt that the board should take a hard look at the GA Fund before levying taxes in the future. Henry Araujo gave those in attendance an overview of what GA is and who can qualify for assistance from the Township. He went on to talk about Emergency Assistance (EA) noting that Bruce Township does not currently provide EA as it did years ago. However, he is looking into re-establishing an EA program using the funds that are currently and will be in the GA Fund. Steve Biroschik voiced a concern that by law you cannot use GA Funds for an EA program. Henry Araujo and others in the room disagreed. Henry Araujo went on to say that he is investigating how to put together this program, how it should be administered and how it can be legally funded. It was agreed that Henry Araujo, as the Bruce Township Supervisor, should fully investigate what can be legally done before the EA program is put into place. Luke Christensen suggested that the current levy be maintained at the current rate and the board re-evaluate before setting the levy for next year. He noted that the township could, at any time, have a large number of people requesting assistance. Several others in attendance agreed with his point indicating unexpected financial travesties could change the level of GA participation in the future. Steve Biroschik then expressed that he would like to see the Township conduct a forensic audit. When asked who would conduct the forensic audit, Steve Biroschik indicated that he could provide a number of names of auditors who provide that service. When asked by Moderator Christensen if he was making a motion, Steve Biroschik indicated he was. Steve Biroschik indicated that he could provide lots of accountants who could conduct a forensic audit.

MOTION MADE BY: Steve Biroschik 2nd BY: Margaret (Margie) Kreier
That a forensic audit be conducted on the Bruce Township Funds for the past 10 years within the next 6 months.

A discussion on the topic followed. Mike Barton asked what a forensic audit would cost the township. Steve Biroschik indicated the cost would depend on which firm you used. He speculated the cost could be between \$2,000.00 and \$5,000.00 depending on what the auditor discovers. A resident indicated that she is not hearing any solid evidence that this is needed or even how much it would cost. Steve Biroschik indicated that he felt there was evidence that warranted an audit but that he did not know exactly what it might cost. He felt it depended on what they found, how far they went back and what they get into. Luke Christensen felt it could take hundreds of hours of researching the data which would cost far more than \$5,000.00. Others expressed similar opinions. Henry Araujo noted that Bruce Township has a yearly audit conducted by a reputable accounting firm even though it is only required that a township of this size do so every 4 years or when a

new Supervisor takes office. He noted that Bruce Township has an audit every year and the auditor has never identified any major issue. He indicated that money was spent out of the wrong fund but the money has never left the township. Mike Barton noted that although there were mistakes made on which fund the spending came from that no one personally benefited from those mistakes and the money remains in the township. Luke Christensen pointed out that an audit was done and it was passed by the entire board, including Steve Biroshik. Steve Biroshik acknowledged that he approved the audit but pointed out that the standard audit had not found the misuse of equipment as a part of their financial audit. Steve Biroshik expressed concerns that a forensic audit is needed because he felt that Supervisor Araujo has misspent GA funds which he felt qualified as Administrative Malfeasants which he has reported to the Illinois State's Attorney's office. When asked what the Illinois State's Attorney's response was, he stated that the Illinois State's Attorney had not called him back. There was some discussion about a posting on social media that indicated differently. Henry Araujo acknowledged that a mistake was made in spending money from the GA fund instead of from the Towns fund. He went on to say that he planned to correct the mistake by following the advice of the Township Attorney and, therefore, he is requesting the transfer of funds that were spend from the Town Fund back to the GA Fund to make it whole.

Moderator Christensen called the meeting to order and then called for a vote on the motion by a count of raised hands. Clerk Sedlock counted the raised hands:

Aye's: 2 Nay's: 20 Motion: Defeated
It was noted that the Moderator does not vote during Town Meetings.

Moderator Christensen resumed the discussion on the Supervisor's Statement of Financial Affairs for the Town Fund and asked if there were any questions or comments on the report. No further questions or comments were raised.

MOTION MADE BY: Henry Araujo 2nd BY: Luke Christensen
That the Supervisor's Statement of Financial Affairs for the Town Fund for the period of April 1, 2016 through March 31, 2017 be accepted.

Moderator Christensen asked if there was any additional discussion needed. No additional discussion was needed. Moderator Christensen called for a voice vote:

Aye's: 19 Nay's: 1 Motion: Carried
It was noted that 2 residents had left the meeting.

Moderator Christensen then asked if everyone had time to review the Road District Statement of Financial Affairs for the Road Bridge Fund for the period of April 1, 2016 through March 31, 2017 which had also been posted on April 7, 2017 in the Bruce Township Office Lobby for review by the public. He then asked if there were any questions or comments on the report. No further questions or comments were raised.

MOTION MADE BY: Harold (Randy) Baumrucker 2nd BY: Henry Araujo

That the Road District Statement of Financial Affairs for the Road Bridge Fund for the period of April 1, 2016 through March 31, 2017 be accepted.

Moderator Christensen asked for any comments or discussion. No discussion was needed. Moderator Christensen called for a voice vote:

Aye's: 19

Nay's: 1

Motion: Carried

COMMITTEE REPORTS:

The Township Supervisor's Annual Report and the Highway Commissioner's Annual Report were covered in the Treasurer's Report section of the agenda. There were no other committee reports reviewed at this meeting.

REPORTS BY SPECIAL COMMITTEES:

There were no special committees reporting submitted for review at this meeting.

OLD BUSINESS:

A brief review of the 2016 Bruce Township Annual Town Meeting Minutes dated April 12, 2016 determined there was no old business to be addressed.

NEW BUSINESS:

Clerk Sedlock reported that no items of business from the public were presented to her by the March 1st deadline.

Moderator Christensen, at the recommendation of the Township's auditor, Echols & Associates P.C., asked that Clerk Sedlock report the yearly salaries of all officials for 2017. The salary for the Assessor was set by Bruce Township RESOLUTION 2012a dated November 14, 2012:

Effective calendar year 2017, the Assessor's Salary is \$41,523.32. In addition, the Assessor receives an annual stipend of \$300.00 for serving on the Health Board, an annual stipend of \$1,300.00 for Travel Pay and an annual stipend of \$1,900.00 for Insurance bringing the total salary to \$45,023.32.

The salaries for the remaining officials were set by Bruce Township RESOLUTION 2016a dated October 12, 2016:

Effective fiscal year 2017, the Supervisor's Salary shall be \$43,691.00. In addition, the Supervisor receives an annual stipend of \$300.00 for serving on the Health Board, an annual stipend of \$1,000.00 for serving as the Town Treasurer, an annual stipend of \$1,000.00 for serving as the Road & Bridge Treasurer, bringing the total salary to \$45,991.00.

Effective fiscal year 2017, the Highway Commissioner's total salary shall be \$43,691.00.

Effective fiscal year 2017, the Clerk's Salary shall be \$12,731.00. In addition, the Clerk receives annual stipends of \$300.00 for serving on the Health Board, bringing the total salary to \$13,031.00.

Effective fiscal year 2017, the Trustees' total salary shall be \$3,700.00 each.

Steve Biroshchik commented that next year (calendar year 2018) the Assessor's salary will no longer include a travel stipend or an insurance stipend but will be increased to include those amounts as documented in Bruce Township Resolution 2016a. He went on to point out that the total salary does not reflect any cost of benefits provided to Bruce Township Officials such as Illinois Municipal Retirement Fund (IMRF). He also observed that we did not provide any salaries for the non-elected staff which makes up approximately 75-78% of the budget coming from taxable monies. Clerk Sedlock responded that we were only advised by the Township Accountant to review the Township Officials Salaries at the Town Hall meeting and that is why benefits and hired staff salaries were not reported at this time. There was no further discussion required.

Moving to the next agenda item, Moderator Christensen indicated that a motion was needed concerning the banking facilities Bruce Township would be allowed to use this fiscal year. Henry Araujo gave a brief overview of what has been done in the past and how he uses the local banking facilities. He expressed that he would like to continue to be allowed to use all local banking facilities, including credit unions. Randy Baumrucker asked whether there was a specified length of time for Certificates of Deposits (CDs) for the township. Henry Araujo responded that the length of time for the CDs varied based on the rates offered but usually was 1 or 2 years. He noted that when they come due he calls around to get the best rate.

MOTION MADE BY: Henry Araujo
That Bruce Township is allowed to use any and all banking facilities within the City of Streator, the Illinois Fund and Vezzetti Capital located at 260 Bucklin St., La Salle Illinois as the township's depositories.

2nd BY: Marsha Johnston

No further discussion was required. Moderator Christensen called for a voice vote:

Aye's: 19

Nay's: 0

Motion: Carried

Moderator Christensen then noted that the 2018 Annual Town Meeting will be held Tuesday, April 10, 2018 at 6pm and that the schedule for the 2016-2017 Regular Board of Trustee Meeting had been set and approved at the February 8, 2017 Regular Board Meeting and was posted in The Times, at the Bruce Township office building and on the Bruce Township website.

The final agenda item was to discuss the transfer of monies for GA Vehicles, Equipment, Supplies and Donations. Moderator Christensen reviewed for those present that it had come to the boards attention that the use of certain vehicles, equipment purchased with monies from the GA Fund for non-GA township business and the disbursement to

various charitable organization of items purchased with monies from the GA Fund should have been purchased using monies from the General Town Fund. On the advice of the township attorney, a resolution has been drafted to transfer monies from the General Town Fund to the GA Fund to reimburse those monies. Moderator Christensen read off the detailed list of vehicles, equipment, maintenance charges, purchases and the associated amounts paid for from the GA fund over the past 8 years that have been identified as needing to be paid from the General Town Fund. He then gave the total to be reimbursed to the GA Fund as \$120,288.85. Moderator Christensen stated that in transferring this amount the GA Fund would be made whole again and the trucks in question will no longer be restricted to being used for GA purposes. Marsha Johnston asked the moderator to explain, for those present, what will happen if the GA program would need to use the trucks if the resolution is passed today. Moderator Christensen explained that an Intergovernmental Agreement would need to be put in place to allow the GA program to use those trucks. He indicated that details on which fund would pay for expenses (such as gas) while the truck is in use by GA would need to be specified in the agreement. Randy Baumrucker asked if the Assessor could use the trucks under this Intergovernmental Agreement. Moderator Christensen indicated that if the Assessor would need to use the truck another Intergovernmental Agreement would have to be put in place. Henry Araujo indicated that the State of Illinois encourages townships to put in place Intergovernmental Agreements to allow for equipment to be fully utilized. He went on to say that separate Intergovernmental Agreements could be put in place between the General Township, GA, the Road District and the Assessor's office if they were needed. He indicated that these kinds of agreements can even be done between townships if it is beneficial to both townships. Steve Biroshik expressed concern that the Assessor is already being given a travel stipend and should not be allowed to use the trucks. It was pointed out to him that there have been no Intergovernmental Agreements put in place yet. And, this discussion was just informing those present what could be done if the need did arise. Steve Biroshik then stated that this transfer of funds was not in the Town Fund Budget and then asked how this transfer is able to be done. Henry Araujo indicated that this type of a transfer of funds can be authorized at a town meeting. Moderator Christensen responded that the funds are surplus reserve funds. He noted that a draft of a Resolution has been created that explains how this transfer can be done. He then read: Resolution 2017B – Transfer of General Town Funds to the General Assistance Fund to those present. In the resolution, the state statute that allows such decisions to be made at town meetings was given. Steve Biroshik then asked what the balance in the GA Fund would be after the addition of these funds. Henry Araujo responded that he could not give an exact dollar amount but it would be around \$400,000.00. Clerk Sedlock asked if anyone would like a copy of the resolution and distributed copies to those requesting them. Moderator Christensen asked if anyone wanted to make a motion with respect to draft Resolution 2017B.

MOTION MADE BY: Luke Christensen

2nd BY: Mary Ann Christensen

That Resolution 2017B – Transfer of General Town Funds to the General Assistance Fund, as read, allowing the transfer of \$120,288.85 from the General Town Fund to the General Assistance Fund be approved.

Steve Biroshik addressed those present indicating that they need to be careful. A resident asked if the board was involved in making the purchases and setting the budgets that resulted in the spending of this money and, if so, why was Henry Araujo the only one being held accountable. Moderator Christensen replied that the entire board is responsible. Steve Biroshik clarified that the Supervisor has sole authority over the GA Fund. Henry Araujo agreed that the Supervisor has sole authority over the GA Fund but he pointed out that whenever he purchased something he brought it to the board before hand and discussed it with them. He indicated the trucks were an example specifically recalling that Steve Biroshik had been present for that discussion. Clerk Sedlock then made a point of clarification indicating that the purchase of the trucks was never the issue. The trucks were purchased for the purposes of transporting GA clients to work sites. The problem occurred when the trucks were not being fully utilized for GA business and were sitting idle. At that point, Supervisor Araujo allowed them to be used for other township business which was a mistake. That is why transferring the trucks to the general township control will allow them to be used for general township business. She went on to address the use of GA Funds to purchase items from NAIER. In this case, the purchase of the products was not the issue. The problem was in the purchase of the products using the GA Fund because other people received those products, not just GA clients. She went on to say that it is unfortunate that the facts have not been clearly reported. A resident expressed her disappointment in the behavior of some of those in attendance and the fact that she was led to believe from what was in print and on social media that someone was robbing the township blind. She wishes that a statement would be published that would correct this misperception. Steve Biroshik indicated that he felt that there was Administrative Malfeasants. He went on to say that he trusted Henry Araujo to run the GA program correctly because Henry Araujo had been doing it for over 20 years only to find out that some mistakes have been made. He pointed out that this included plowing snow for people. Henry Araujo defended his decision to help elderly residents by plowing their driveway whenever he saw them struggling to do so. Steve Biroshik pointed out that Henry Araujo was acting as an Agent of Bruce Township at those times and that makes the township liable for his actions. He reminded those present that the Supervisor's responsibility is to administer the GA, set budgets and run meetings and the rest of what he has done is not the Supervisor's job. Moderator Christensen acknowledged that Steve Biroshik had made some valid points. He went on to say that this is why the township is trying to correct the situation by offering up Resolution 2017B. He then called for a vote to be taken on the motion by a show of hands:

Aye's: 19

Nay's: 1

Motion: Carried

Moderator Christensen called for any additional topics to be discussed. No additional topics were raised.

ADJOURNMENT:

There were no additional items of business to be discussed.

MOTION MADE BY: Marsha Johnston
That the meeting be adjourned.

2nd BY: John M. Barton

Moderator Christensen called for a voice vote and the motion was unanimously carried. Moderator Christensen thanked everyone for attending. The meeting was adjourned at 6:58pm.

Respectfully submitted,

Gerald (Jerry) Christensen
Moderator

Sheryl Sedlock
Township Clerk

Bruce Township
216 N. Sterling St.
Streator, IL 61364