

**Troy Township  
Finance Committee Meeting Notes  
Tuesday, April 30, 2013  
5:00 p.m.**

Committee Chairman Larry Ryan called the meeting to order at 5:00 p.m.

The Pledge of Allegiance was recited.

Roll Call – In Attendance:

Supervisor Joseph D. Baltz

Assessor Kim Anderson

Administrator Jennifer Dylík (acting as Secretary)

Trustee Larry Ryan (Chairman)

Highway Commissioner Thomas R. Ward

Absent: None

Also in Attendance: Trustee Donald Walden, Collector-Elect Sharon Cemen Hicks and Trustee Brett Wheeler.

Chairman Larry Ryan asked for any citizen comments.

Supervisor Baltz stated that in the past three fiscal years (FY 10-11, FY 11-12, FY 12-13), the Town Fund carry over balance has risen by \$37,306.53. The proposed FY 13-14 Town Fund budget ends with a net income of \$4,630.00 which would bring the Town Fund's carry over balance to \$106,341 or approximately 1.4 months of expenditures.

Comparing the proposed budget vs. last year's budget, overall total Town Fund expenses are down \$2,420.00 or -0.25%.

In FY 12-13 the General Assistance Fund brought in \$10,949 in additional revenue. This was the result of the hard work of General Assistance Case Worker, Lisa Imbody, who diligently followed up with the State to get reimbursed for clients who had been approved for SSI. This created a larger carry over balance in General Assistance than expected. Therefore, some technology improvements are being proposed in the FY 13-14 budget.

Supervisor Baltz stated that he endorses not only the Town Fund budget that has been presented but also the Assessor's and Road & Bridge budgets as presented.

Chairman Ryan asked for any other citizen comments. After asking three times, Chairman Ryan began the review and discussion of the presented budgets beginning with the Road and Bridge Fund.

**Road and Bridge Fund**

Chairman Ryan asked for clarification of the carry over balance for the Road and Bridge Fund. Administrator Dylík handed out the budget vs. actual comparison that Chairman Ryan has asked for prior to the meeting and reviewed the summary at the bottom of the sheet. The summary shows the carry over balance, the estimated income, the estimated expenses and the estimated ending balance.

Chairman Ryan asked that a future plan be considered for the Road and Bridge Fund that would accurately show the budgeted Road and Bridge expenses. Supervisor Baltz explained the process of the Road and Bridge Levy, the municipal half share, and the need for the budget to closely relate to the amount of the levy. Chairman Ryan agreed that the committee is not looking to change the process for the current budget term but for terms going forward. Supervisor Baltz agreed that a better budget process could be explored to better show how the Road and Bridge funds are expected to be expensed and this should be a future project of the Finance Committee.

Highway Commissioner Ward commented that he will not apologize for running a very fiscally conservative department. Through this fiscally conservative operation method, some reserves have been built up in the Road and Bridge fund. These reserves are there for emergencies. Highway Commissioner Ward noted that he is against, and will not consider, any type of restrictions placed on the carry over balance until all of the road issues, drainage issues and culvert issues have been completely resolved.

Supervisor Baltz reminded that any carry over balance can be re-appropriated in the following year's budget and legally, the Fund can spend what is budgeted in the Budget and Appropriations Ordinance. Supervisor Baltz supports the Road and Bridge Fund spending some of the carry over balance because building and equipment improvements are needed to be as efficient as possible.

Chairman Ryan commented that he understands expenses are increasing in the Road and Bridge Fund, that he sees the improvements being made and that he benefits from those improvements where he lives. His concern is a prior three year trend of needing to use a portion of the carry over balance to cover expenses.

Chairman Ryan would like to see the carry over balance committed, but in a general term, as to what those carry over funds are going to be used for. For example commit \$100,000 for long term equipment replacement; \$100,000 for long term right of way replacements. Chairman Ryan believes this would allow the Board to better defend the carry over balance with an established plan in place for these funds.

Further discussion was held about various services offered, the need within the unincorporated areas and how the municipal half share of the Road and Bridge levy is distributed.

Chairman Ryan stated that he had no other issues with the Road and Bridge budget. After asking for any other questions or concerns for that budget, Chairman Ryan moved on to the Assessor's budget.

#### **Assessors Budget**

Administrator Dylik distributed the budget vs. actual comparison for the Assessor's budget. Assessor Anderson asked for questions. Chairman Ryan noted that typically the Assessor's office comes in under budget. In the 2012-2013 FY the Assessor's budget came in 9.08% under budget. Chairman Ryan asked if Assessor Anderson expected any increase in staff or part-time help being hired. Assessor Anderson noted that some part-time staff may work additional hours but that no hiring of new staff is expected.

Chairman Ryan asked for any other questions on the Assessor's budget. No other questions were raised.

#### **General Town Fund Budget**

Administrator Dylik distributed the budget vs. actual comparison of the Town Fund budget. Chairman Ryan asked if there were any Assessor's expenses in the Town Fund budget. Administrator Dylik noted that there is a line item at the bottom of the page that gives the total of all expenses in the Assessor's budget but there were no expenses for the Assessor, other than the Assessor's salary and benefits, in the Town Fund budget. Chairman Ryan compared the 2013-2014 budget numbers vs. the 2010-2011 numbers and concluded that the Town Fund expenses have gone down by 6%-7%. This is a compliment to the Town Fund. His comparison was using the Town Fund as a whole; including Assessor and General Assistance.

Assessor Anderson and Administrator Dylik noted that this is partly due to a reduction in staff but also due to veteran employees retiring or reducing work hours and being replaced by newer employees at a lesser wage.

Chairman Ryan questioned the amount budgeted for legal fees noting that two years ago the Township spent \$5,248.00 and last year it spent \$6,911.85. He asked if the current amount budgeted of \$3,000.00 would be enough. Supervisor Baltz stated that the jump two years ago and at the beginning of the last year was due to having legal counsel present at every meeting. It also increased recently due to the special election challenges. Supervisor Baltz feels that \$3,000.00 is more fundamentally practical and allows funds so that the Township can consult with an attorney when necessary.

Chairman Ryan asked for clarification on the budget numbers for Maintenance of Building and also for Maintenance of Equipment and asked if enough is budgeted in those categories. Administrator Dylik noted that although the funds budgeted for Maintenance of Equipment are 9.8% less than what was spent last year, conversely the funds budgeted for Building Maintenance has increased \$13.56% over what was spent last year. Dylik noted that tighter controls are being placed on where items are coded and that she believes the totals allocated to those two funds are adequate for the fiscal year. Chairman Ryan asked if Capital Outlay was included in these numbers. Dylik referred the committee to page 6 of the Town Fund Tentative Budget Presentation where detail was provided on Building Maintenance, Maintenance of Equipment and Capital Outlay expenditures.

Chairman Ryan asked if there was a "priority" list for the capital outlay projects. He noted that he is very much in support of upgrading to QuickBooks for financial reporting. Administrator Dylik commented that the Township is expecting to see funding of a \$30,000 grant that will fund the server improvements, the QuickBooks upgrade and also a re-write of our employee handbook. Dylik noted that she is over 90% confident that the funding will come through as expected (between June and August of 2013) as the Township has already been contacted by the DCEO and has completed the initial Grant Survey in February of 2013. This is the first step in getting the funding. Dylik confirmed that all are very committed to the server and QuickBooks improvements.

Chairman Ryan asked for any other questions about the Town Fund. No questions were raised.

#### **General Assistance**

Administrator Dylik distributed the budgets vs. actual comparison. Trustee Wheeler asked why administrative salaries have varied over the past few years. Dylik commented that the reduction last year was a very purposeful action by the Board to put all salaries and wages in their appropriate fund. Trustee Wheeler commented that the prior year salaries totaled \$11,395.46 but this year the budget is for \$12,950.00. Dylik commented that the General Assistance Caseworker is part-time and therefore has no paid time off. Any vacation time taken by the GA Caseworker is un-paid; however the budget is for

her working 52 weeks a year, with no time off. Chairman Ryan complimented the hard work of the GA Caseworker in obtaining reimbursements totaling \$10,949.00 for GA clients that have been approved for Social Security.

Chairman Ryan expressed his concern with the General Assistance Fund paying a portion of the Debt Certificate Interest. Supervisor Baltz reminded that General Assistance is part of the Town Fund; that the portion allocated towards General Assistance can be increased or decreased, subsequently increasing or decreasing the funds available to the Town Fund. The Township has received an opinion from Bryan Smith, Executive Director of the Township Officials of Illinois, that yes, the General Assistance Fund can help to defray the costs of where the office is located. Supervisor Baltz noted that General Assistance can pay rent, utilities, maintenance etc. of the building where it is located. For simplicity, it was determined that General Assistance would make two payments per year to share in the cost of the building's debt certificate expense as opposed to charging rent or splitting utility or maintenance invoices on a monthly basis.

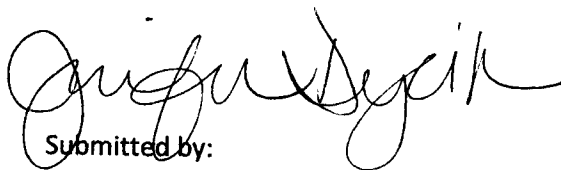
Chairman Ryan asked for an explanation as to why the debt certificate payment is shown as a transfer on the audit as opposed to an expense of the General Assistance Fund. Dylik has already placed a call to the Auditor to ask this question. Supervisor Baltz would like to add this question for investigation during a future meeting of the Finance Committee.

Supervisor Baltz stated that another Finance Committee meeting is not needed to discuss the budgets but that one should be scheduled in a few months to review the following:

- Better budget process for Road and Bridge to accurately show expenditures.
- Consider assignment, restriction or commitment of carry over funds.
- General Assistance payment of building expenditures, specifically debt certificate interest.

Motion made by Supervisor Baltz; seconded by Assessor Anderson to recommend for approval to the full Board the budgets for fiscal year 2013-2014 for the Road and Bridge Fund and the Town Fund which includes the general Town Fund budget, Assessors budget and General Assistance budget as they were presented. Vote: Ward-Aye; Baltz-Aye; Anderson-Aye; Ryan-Aye. Motion Carried.

Motion made by Chairman Ryan; seconded by Supervisor Baltz to adjourn the meeting at approximately 6:07pm. Motion carried.



Submitted by:  
Jennifer Dylik  
Secretary