

VILLAGE OF STICKNEY

6533 West Pershing Road
Stickney, Illinois 60402-4048
Phone - 708-749-4400
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David DeLeshe
Sam Savopoulos

Village Trustees
Martha Gomez
Jeff Walik

James Lazansky
Jeff White



Deborah E. Morelli
Village President

Kurt Kasnicka
Village Treasurer

Audrey McAdams
Village Clerk

REGULAR MEETING BOARD OF TRUSTEES

Tuesday, January 21, 2014

Meeting Agenda

1. Call to Order
2. Pledge of Allegiance
3. Roll Call
4. Approve Minutes of Previous Regular Meeting
5. Approve Minutes of Special Audit Meeting on January 13, 2014
6. Authorize Payment of Bills
7. Accept the Report of Illinois Department of Revenue
8. Accept the Report of the Illinois Department of Transportation
9. Report from the Mayor
10. Report from the Clerk
11. Trustee Reports/Committee Reports
 - a. Accept the Treasurer's Report for the month of September, 2013
12. Reports from Department Heads
13. Audience Questions
14. Adjournment

Posted January 16, 2014

January 7, 2014

State of Illinois
County of Cook
Village of Stickney

The Board of Trustees of the Village of Stickney met in regular session on Tuesday, January 7, 2014 at 7:00 p.m. in the Stickney Village Hall, 6533 W. Pershing Road, Stickney, Illinois.

Upon the roll call, the following Trustees were present:

Present: Trustees De Leshe, Gomez, Lazansky, Savopoulos, Sleigher and White

Trustee Lazansky moved, duly seconded by Trustee Sleigher to approve the minutes of the previous regular session on Tuesday, December 17, 2013.

Upon the roll call, the following Trustees voted:

Ayes: Trustees De Leshe, Gomez, Lazansky, Savopoulos, Sleigher and White

Nays: None

Mayor Morelli declared the motion carried.

Trustee Lazansky moved, duly seconded by Trustee Gomez that the bills, approved by the various committees of the Board, be approved for payment, and to approve warrants which authorize the Village Treasurer to draw checks to pay the bills, to be signed by the authorized signers, as provided for by the Ordinances of the Village of Stickney.

Upon the roll call, the following Trustees voted:

Ayes: Trustees De Leshe, Gomez, Lazansky, Savopoulos, Sleigher and White

Nays: None

Mayor Morelli declared the motion carried.

Trustee Sleigher moved, duly seconded by Trustee White to approve IDOT M.F.T. Documentation to close-out the following projects:

- a. MFT Section No. 08-00053-00-RS "Supplemental Resolution for Improvement"
- b. MFT Section No. 11-00056-00-RS "Request of Approval of Change of Plans"
- c. MFT Section No. 12-00057-00-RS "Request of Approval of Change of Plans" and "Supplemental Resolution for Improvement"

Upon the roll call, the following Trustees voted:

Ayes: Trustees De Leshe, Gomez, Lazansky, Savopoulos, Sleigher and White

Nays: None

Mayor Morelli declared the motion carried.

Prior to the vote, Attorney Donald Kreger explained that we could take the vote on all the items in one motion. The clerk said that it is an "omnibus vote". Donald Kreger

went on to explain approval of all the resolutions at one time. He further explained that if even one person objects to any of the items, the vote could be separated out.

MAYOR REPORT: Mayor Morelli said public works did an outstanding job with the snow. She did get a call from a concerned resident today. She wanted to say that public works did a good job. There were no problem calls or concerns. No calls about heat going out. If there is any kind of problem related to the weather we have the fire department and the police department to take the call.

Attorney Donald Kreger spoke for the mayor in reference to reassignments to the Board of Trustee committee chart. The Mayor asked if anyone had any questions or concerns over the changes made to the committee chart.

Trustee Lazansky moved, duly seconded by Trustee De Leshe to concur with the Mayor with her selection of assignments to the Board of Trustee's Committees.

Upon the roll call, the following Trustees voted:

Ayes: Trustees De Leshe, Gomez, Lazansky, Savopoulos, Sleighter and White

Nays: None

Mayor Morelli declared the motion carried.

CLERKS REPORT: Clerk Audrey McAdams reported that she has sent all documents controlled by her office to our new web site management and support service, Innov8tek. A great many of the documents have been entered. There still is some fine-tuning to take place.

TRUSTEE'S REPORTS: Trustee Gomez explained that if there are any seniors that need help with snow removal they can call St. Pius X at 708-788-6090. The Youth Program will shovel for free but, donations are welcomed.

Trustee Savopoulos commented on citizen's concern over the smell of smoke in the air. The smoke is coming from McCook. Public Works Supervisor Jeff Boyajian explained that it was wood chips burning since last Saturday. The fire is burning right in the center of the pile which is two blocks in length. The City of Chicago brought in specialized equipment. Getting to the scene of the fire is a problem. There are members of the U.S. Forestry there to investigate.

DEPARTMENT REPORTS: Police Chief John Sladetz reported that 350 parking tickets were written during this past month. He commented that public works did a fantastic job. A reminder was given on the rules for parking during a snow emergency.

Deputy Fire Chief Dan Kuffell said they have a problem with people parking too far away from the curbs because of the snow. The fire equipment and ambulance has trouble navigating the streets. He also gave important safety information on space heaters being placed too close to flammable objects. Carbon Monoxide detectors have been going off during this time of the year. He warned that the detectors must be maintained and they do have an expiration date. Some have a 5 year, 7 year or 10 year life span. When they do reach their expiration they will make a beep. Look for an expiration tag. People should replace those units and dispose of them correctly. A

reminder was given on replacement of batteries in smoke detectors. He told of a recent emergency call where all the smoke detectors didn't have working batteries in them. It was fortunate that the family was awake when this happened. In addition, he advised people never to use an arch welder or torch to thaw out frozen pipes. Use a blow gun or hair dryer.

Public Works Supervisor Jeff Boyajian warned of people not allowing adequate room around the hot water tank and furnace to supply proper ventilation.

Treasurer Kurt Kasnicka reminded us that January 20, 2014 is Dr. Martin Luther King day and the Village Hall will be closed. Look for garbage pick-ups to be delayed by one day. He also told us that the audit for Fiscal Year ending April 30, 2013 is complete. He is just waiting for paper copies of the audit. There will be a special meeting scheduled as soon as that takes place.

There being no further business, Trustee Lazansky moved, duly seconded by Trustee Gomez that the meeting be adjourned. Upon which the Board adopted the motion at 7:18 p.m.

Respectfully submitted,

Audrey McAdams, Village Clerk

Approved by me this day of , 2014

Deborah E. Morelli, Village Mayor

**January 13, 2014
Special Public Meeting
Presentation and Discussion of
Annual Financial Report for Fiscal Year Ending April 30, 2013**

**State of Illinois
County of Cook
Village of Stickney**

The Board of Trustees of the Village of Stickney met in special session on Monday, January 13, 2014 at 6:30 p.m. in the Stickney Village Hall, 6533 W. Pershing Road, Stickney, Illinois.

Upon the roll call, the following Trustees were present:

Trustees present: Trustee De Leshe, Gomez, Lazansky, Savopoulos, Sleigher and White

The audience was informed that they didn't have to sign in. They could interact during the presentation after hearing what the auditor presented.

Bob Grapenthien of Crowe Horwath addressed the Board and the audience with the following:

The Village implemented several new governmental accounting standards this year that they found confusing. We learned that it was an uneventful audit with no modifications. The General Fund has over three months of fund balance still remaining and the Water Fund has over six months of fund balance still remaining. This was a first year audit (with Crowe Horwath). The Village was ready and prepared for the audit. There were no disagreements or issues with the Village over procedures. By 2015 there will be changes in accounting standards that will have a significant effect on our bottom line as to how the pensions are recorded. Trustee Lazansky addressed the pensions and falling too far behind. Mr. Grapenthien told us that the Village has kept up with the Police Pension audit recommendations for funding the pension. The investments haven't been doing as well as they are projected to, thus causing these big holes. Comments were made from the audience. Trustee Sleigher asked if we had to make up that difference in the contributions. We were told, eventually. The actuarial reevaluates the pension fund each year. The Village has been doing a good job in making those payments.

Patrick Sleigher questioned the property tax. Mr. Grapenthien said that is based on projections.

Trustee White asked if there is a summary or recommendations. Mr. Grapenthien told us that this is a first year audit and therefore they don't have list of recommendations. He did include the fact that even though the Village's records are

great and without problems, the size of the Village does not have the staff to control the ideal handling of the funds. They did address key controls such as: Wire Transfers coming in and going out.

Trustee Savopoulos stated that he did bring up controls at the meeting he attended and the fact that funds are deposited but there is no receipt coming back. The auditor said that there are controls but not enough people to effectively make sure that not one person is doing it. The auditor did say that it is cost benefit to have an accounting staff the size that we do have. To have proper oversight we would have to hire two or three more CPAs. They would not sign off on this audit unless they have tested every material wire transfer that has come out of this place. In order to have a proper reporting model of every function; cash receipts, cash disbursements, financial statement preparation, and so on, it would take a few more CPAs. He said it would not be worth the investment. Mr. Grapenthien said that a few more controls could be added.

Kurt Kasnicka explained that he has implemented controls. He does not sign checks. He said that two other people sign checks. The auditors look at the cancelled checks to make sure that he is not signing checks. Trustee Savopoulos stated that when Kasnicka goes to the bank to make a deposit nobody sees the receipt to verify the deposit. Kasnicka said that because of the size of the organization we are limited. Trustee White questioned the procedures in the front office. Kasnicka explained that one person in the front office does the deposits. There is a backup if she is not available. Those deposits are balanced daily and they are kept in tack.

The auditor voiced that those daily close-out reports are so important. When the cash comes in and gets to the bank they need to make sure that the person signs off on it. In the cash receipt cycle no one could get away with something by themselves. Trustee Savopoulos felt that receipts should be seen. Kurt Kasnicka responded that when the office balanced they have steps to go through to get it into the general ledger. Audience member Mark Kusper asked how you are comparing your ledger to your deposits. Kasnicka reconciles the bank accounts and he is the one to physically go to the bank.

Trustee Jeff White questioned how former treasurer Dora Madson was able to embezzle all that money. The auditor explained that our system cannot close until the amount of money matches what was brought in. Then he explained another risk with manual adjustments. Before it gets to the treasurer and someone manually adjusts what was brought in and not place it towards that person's account.

As auditors they have to brainstorm. One of those things is "cash". They question things such as who has access to manually adjust. They look for a pattern of manual adjustments. Kasnicka talked about resolving miss-entries and the steps they need to go through.

Trustee Sleighter asked if there were any red flags. The auditor claimed that we had a clean audit and in good order with no adjustments, and this is unique. The fact that there were no adjustments to the records is a very good sign. He went on to say that the last time he was here, he had given a presentation in two or three other villages

that same week. They were had fifty or sixty adjustments to their records to get them to the point where they were clean now. And, to have no adjustments is very unique, especially for the size of village's accounting department. It is very unique. Trustee Lazansky asked how big the village were that had the adjustments. The auditor said they were "like" suburbs. Resident Jeff Walik questioned the adjustments or discrepancies. He asked if the auditor found any discrepancies since you and your company have been around. The auditor said that municipalities of our size generally have a lot of adjustments. Again, Jeff Walik asked about discrepancies. The auditor asked, "What do you mean?" "Discrepancies?" Mr. Walik explained, "You know, If you found anything wrong with the books." "Because someone like Kurt hands you what you guys want and you find things in good order." "You discuss things ahead of time on what you want and he goes and gets it." "Then you find discrepancies where you look back into something." "Then everything is in order." Mr. Walik again addressed discrepancies and asked how many arrests have been made. The auditor said that over the course of the last couple of years when you hear of things hitting the newspapers....Kurt Kasnicka then started to speak about when he came from the auditing side. Kurt Kasnicka explained that some people are hired by municipalities that don't have college degrees in accounting. Examples were given about routine adjustments that have to be made for what is received in cash to change it to the modified accrual basis, accrual sales tax and property tax. A lot of those are normal adjustments that other finance directors are not capable of handling.

Patrick Sleighter questioned if our bond rating would be an A+. The auditor said that the bond rating industry will look at your net position or equity and how much debt you have. You still have general funds to pay off three months of bills. He said to look at your fund balance and make sure that in the course of three or four years we should make sure that it isn't trending downward. The auditor said that there is nothing in the audit to scare any potential bond buyers off.

The clerk questioned the water fund. The water fund has over six months of fund balance. This fund is unique because it accounts for capital assets. It is depreciated over time. The auditor explained it is a good policy to informally have your water fund to gradually increase equity throughout the year because you have to eventually replace your infrastructure. You don't want this fund to break even constantly and then have to do a major capital project. Informally, you want to see slight increases in your equity in the water fund. A slight discussion took place on fund equity policy for the general fund and/or the water fund wouldn't be a bad idea.

A discussion took place over the embezzlement in Dixon and if the auditing firm was liable. The auditor said the auditing was done by a sole practitioner and a separate CPA firm to do their books for them. They are the ones who got in trouble. The auditor obviously missed it too.

Trustee Sleigher moved, duly seconded by Trustee Lazansky to accept the Stickney Annual Financial Report for Fiscal Year Ending April 30, 2013.

Upon roll call the following trustees voted:

Ayes: Trustee De Leshe, Gomez, Lazansky, Savopoulos, Sleigher and White

Nays: None

Mayor Morelli declared the motion carried

There being no further business, Trustee Lazansky moved, duly seconded by Trustee White that the meeting be adjourned. Upon which the Board adopted the motion at 6:56 p.m.

Respectfully submitted,

Audrey McAdams, Village Clerk

Approved by me this day of January, 2014

Deborah E. Morelli, Village Mayor



Vendor Home

Vendor Warrants

STICKNEY VILLAGE TREASURER



[Summary](#)



[Contracts](#)



[Payments](#)

Warrant/EFT#: EF 0005889

Fiscal Year:	2014	Issue Date:	01/09/14	
Warrant Total:	\$43,912.42	Warrant Status:		
Agency	Contract	Invoice	Voucher	Agency Amount
492 - REVENUE		AG595623	4AG595623	\$43,912.42

IOC Accounting Line Details

Fund	Agency	Organization	Appropriation	Object	Amount	Appropriation Name
0189	492	27	44910055	4491	\$43,912.42	DISTRIBUTE MUNI/CNTY SALES TAX

Payment Voucher Description

Line	Text
1	IL DEPT. OF REVENUE AUTHORIZED THIS PAYMENT ON 01/08/2014
2	MUNICIPAL 1 % SHARE OF SALES TAX
3	LIAB MO: OCT. 2013 COLL MO: NOV. 2013 VCHR MO: JAN. 2014
4	?S PHONE: 217 785-6518 EMAIL: REV.LOCALTAX@ILLINOIS.GOV
61	MUNICIPAL 1 % SHARE OF SALES TAX

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SALES TAX
FOR OCTOBER, 2013
\$ 43,912.42



Vendor Warrants

Vendor Home

STICKNEY VILLAGE TREASURER OF



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Warrant/EFT#: EF 0025144				
Fiscal Year:	2014	Issue Date:	01/08/14	
Warrant Total:	\$16,980.95	Warrant Status:		
Agency	Contract	Invoice	Voucher	Agency Amount
494 - TRANSPORTATION			4MT002964	\$16,980.95

IOC Accounting Line Details						
Fund	Agency	Organization	Appropriation	Object	Amount	Appropriation Name
0414	494	90	44910000	4491	\$16,980.95	DISTRB ITEMS: MUNICIPALITIES

Agency Contact Information
217-782-6496

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MOTOR FUEL TAX
FOR DECEMBER, 2013
\$ 16,980.95