

Public Hearing  
Fiscal Year 2021 Road District Budget & Appropriation  
Ordinance No. 2020-03 (RD)  
September 22, 2020  
Minutes

State of Illinois,  
County of Will,  
Town of Joliet,

The public hearing scheduled to be held in said Town and County in the State of Illinois at 175 West Jefferson Street, Town Hall meeting room, Joliet Township Office Building, September 22, 2020 was opened by Clerk Julie A. Kinsella at 5:07 p.m.

The public hearing is for the final presentation of the Fiscal Year 2021 Road District Budget & Appropriation Ordinance No. 2020-03 (RD). The following official business was transacted.

The Clerk called the roll as called at the Regular Town Board meeting which was recessed for this public hearing.<sup>1</sup>

Clerk Kinsella noted that this public hearing was rescheduled from the public hearing originally scheduled for August 11, 2020 due to the effects of the Derecho storm on August 10, 2020, causing cancellation of the August 11, 2020 public hearing and rescheduling thus to September 22, 2020. Clerk Kinsella read and verified that in accordance with the legal notice published in the Joliet Herald-News, August 20, 2020, the Public Hearing on Ordinance No. 2020-03 (RD) is now open.

The clerk asked the Town Board to please review Ordinance No. 2020-03 (RD). Clerk stated that the hearing was now open to public comment on Ordinance No. 2020-03 (RD). Trustee Slattery noted that at this hearing the “Township Board shall adopt the tentative budget and appropriation ordinance, or any part as the board deems necessary.” He stated that he did have some changes as this budget hadn’t changed since a month ago when he was here and made suggestions for changes he would like to see Commissioner Turnbull make to the Road District tentative budget. Trustee Slattery passed out to the board, clerk, and Commissioner Turnbull copies of Turnbull’s original Budget, a copy of Road District expenditures over the past 5 years, and a budget with changes that Trustee Slattery recommended. Trustee Slattery decided to make the changes he thought were necessary to include: corrections of misspellings of several words including “approtiation, utlilities, enviornmental, cetns”; correct the date and year of adoption to be September 22, 2020, and correct an error in beginning balance of the original tentative budget which did not include petty cash and cash investments among other changes.

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<sup>1</sup> Present—Trustees Slattery, Gavin, Verdin, Hertzmann, and Supervisor Vera.

Slattery spelled out where he thought changes should be made to comply with township policy of having a minimum of 3 months cash reserve in the budget. A corrected starting balance as of April 1, 2020 should be \$874,857.81 per Slattery instead of \$873,236.28 tentatively proposed by Commissioner Turnbull because Turnbull's budget did not include petty cash and cash investment account as part of his starting balance. Slattery noted that he would suggest amending the Interest Income under the Revenue section to \$4,000.00 instead of the \$42,000.00 proposed by Commissioner Turnbull due to the extreme decrease in interest rates currently being given by the banks. Slattery stated that he made no change to Turnbull's tentative budget under Expenditures for Administration.

Under Total Appropriations, Trustee Slattery's changes showed \$1,984,052.00 with an ending balance on March 31, 2021 of \$512,255.33 which allows for a three month minimum reserve to comply with township policy. Turnbull's tentative budget showed Total Appropriations of \$2,434,025.14 with an ending balance on March 31, 2021 of \$98,633.66. Slattery noted that the ending balance of Turnbull's budget would not comply with the township's policy to have a minimum of three month's cash reserves.

Slattery continued on page 3 of Turnbull's tentative budget, noting no changes to this page except for spelling error that needed to be changed in the Contractual Services area from "*utitlities*" to the corrected "*utilities*".

On page 4 of Turnbull's tentative budget, Slattery noted a minor change to the amount for Worker's Compensation (under Maintenance, Personnel) which should be \$11,081.00 not \$11,081.14, making this area total \$572,030.00 under Slattery's recommendation instead of \$572,030.14. Slattery also noted a correction needed on page 4 for the spelling of "Enviornmental" instead of the correct "Environmental". Also noted by Slattery on page 4 was a change in the amount under that area of CONTRACTUAL SERVICES- Maint. Service-Road Bridge, Tree Removal, Engineering & Rentals to be \$525,000.00 instead of Turnbull's proposed \$825,000.00 in this area. That change would leave a total of \$755,000.00 under contractual services under Slattery's proposal versus a total of \$1,055,000.00 under Turnbull's tentative budget.

The other change suggested by Trustee Slattery was also on page 4 under the area of CAPITAL OUTLAY-Equipment/Vehicles. Slattery suggests \$125,000.00 instead of the \$275,000.00 on Commissioner Turnbull's tentative budget. This would leave an ending balance for Capital Outlay of \$145,000.00 under Slattery's proposed change instead of \$295,000.00 under the Commissioner's tentative budget. Slattery asked the board to refer to the spreadsheet he had passed out for the last 5 years of expenditures to justify his reduction to the Road District items for Equipment/Vehicles and Contractual Services-Maint. Service-Road Bridge, Tree Removal, Engineering & Rentals. Slattery noted the yearly expenses and the transfer on two occasions from the General Town to the Road District which had happened at previous Annual Meetings that made those areas appear larger than an average year, thus justifying Slattery's reduction in the areas to what had been listed for prior actual expenses.

On page 5, Section 3: Total Appropriations for the fiscal year beginning April 1, 2020 and ending March 31, 2021 would be \$1,9084,052,00 with Slattery's suggested changes and complies with the township policy of having three months of cash reserves on hand at the end of the fiscal year. On page 5, Section 3: Total Appropriations for the aforesaid fiscal year would be \$2,434,025.14 under the proposed Commissioner Turnbull's budget which would allow for a mere 2 weeks of cash reserves and not complying with the township policy of having a minimum of three months of cash reserves.

To complete his review of the tentative Budget & Appropriation Ordinance 2020-03(RD), Trustee Slattery noted that the date needed correction for final day of adoption. Slattery recommended that the board adopt the Budget & Appropriation Ordinance with the amended items so that the board is in compliance with the policy and the budget could be approved at tonight's public hearing. Slattery had also noted that accounting practices recommended by (GASB54) Generally Accepted Accounting Standards Board is utilized for all governmental units so that they can adapt to revenue shortfalls and/or unanticipated expenditures, helps ensure stable tax rates, provides for liquidity for every day operations, helps better weather negative economic trends, and provide expected township services to its residents. By making the cuts he suggested, Trustee Slattery said that we just fall into our policy of having a minimum of three months' cash reserve in the Road District budget. Trustee Slattery stated that he'd like to make a motion that we approve the Road Commissioner's budget with my changes in accordance with the Illinois statute that the Town Board can make the necessary changes as it deems necessary to recognize just part of the Road District Budget.

Supervisor Vera then asked Trustee Slattery if the 3 months that you are highlighting was due to the lapse from April to June, before tax receipts are received and Slattery explained that it could be but we know taxes are coming in, but not necessarily how much will be received. The three months' reserve is there, again due to GASB54, to provide for liquidity.

#### Additional Public Comments:

Road District employee Anna Donovan spoke, stating her perception of the budget timeline. She stated vehemently that there had been "push back since January" when Mike (Commissioner Turnbull) had wanted to employ his own accountant, Benford Brown. She gave her view of the timeline. Anna said at the end of May, Former Clerk May resigned and it was days after that when Accountant Witt responded. Anna further stated that in July the RD requested that the budget be placed on the agenda and it was not. Trustee Slattery stated that he would read from the engagement letter from the Road District's Accounting firm Benford Brown, dated in March 26, 2020. It was stamped by the Road District on April 22, 2020, and we (township) received it on April 23, 2020. Slattery read from the letter that Benford Brown understood the urgency to have a budget completed for the fiscal year ending March 31, 2021 and that they would work aggressively to ensure that the Road District would have a budget prior to the filing deadline. The letter continued to state that they also understand the urgency of the remaining matters and will work aggressively to report our preliminary findings on or before August 30, 2020. Slattery asked Donovan and Turnbull if he had ever gotten that report, and Turnbull said, "No". Donovan then vehemently said that we haven't

been able to because we haven't been able to hire her (Benford Brown, Accounting) and we haven't been able to extend anything because we have no budget. Slattery replied that we are trying to get you a budget and that we do not want any of your vendors punished.

Ms. Donovan asked Supervisor Vera and Board stating, "Have you not withheld documents from the Road District?" Slattery replied, "Not to my knowledge; this is the first that I have heard of that." Donovan said that we have emails and no responses. She asked Supervisor Vera directly who then said that he had not held any documents and he responded to the email Mike received from me. Vera also stated that the Clerk at the time and the Accountant are the ones that handle the financial side. Vera asserted that he was the treasurer of the funds for the Road District, but I am not the one with the documents you are looking for, as you know.

Accountant Witt responded to the above exchange, addressing that she did receive emails and that Mike (Commissioner Turnbull) could attest to, that all the information that was being requested had been given to the road district on numerous occasions in different ways and the last email that Mike and she mentioned that he should look at old emails because he already had the information. Witt stated that Mike replied that he may have it, but that he needed the "official records from the Clerk's office." Witt asserted further to Commissioner Turnbull, that all the information he needed was there, and that all his accountant had to do was look online at the past audits which are all online. So it was not intentionally being difficult, it was that you wanted to use your own accountant and that is fine, and Witt further stated that all the accountant (Benford Brown) had to do was look online to use those resources.

Multiple interruptions and public comments were given by a man who only gave his name as "Jay" and had not signed the attendance sheet. Jay stated that he thought that the board should, "give him the money he (Turnbull) needs, "especially if you're going to transfer money anyway". Jay also hotly demanded, "How are you paying employees?" Attorney Harvey stated that there is a provision in law that allows for payment of employees' salaries, insurance, and benefits. Jay angrily stated, "So you're paying people to sit around, then? Who's slow-walking, here? Let's get this done!" Jay had other comments about road repairs or lack there-of and the poor quality of road repairs that had been done. Clerk asked for this person's name, and he would only give "Jay" and had not signed in on the attendance sheet

Citizen, Ms. Pat Costion, asked the board that she didn't understand why, if we were going to transfer money from the general budget at the end of the year, anyway, why take out so much money from the budget now: so I'm not clear why it is being taken out now? Trustee Slattery explained that transfers from the General Town budget were not a given and could not be counted upon in a yearly Road District budget especially when there was no detailed plans in that same tentative budget from Turnbull. The transfers from the General Town to the Road District in previous years' budgets was due to detailed planning by the previous Highway Commissioner and those transfers were done at the Annual Meetings. There is no guarantee that there will be excess funds in the General Town budget at the end of the year to provide for any transfers from the

General Town to the Road District per Slattery. And the board are stewards of the taxpayers' funds.

Jay interrupted again with complaints about the roads and it used expletive to describe the road situation and truck usage. Jay also said that isn't it his (Turnbull's) money to spend and why aren't you letting him spend it? Slattery also said that it is the board's duty to ensure that there is a 3 months' reserve which we have in the budget with the changes I made and there is only about 2 weeks in reserve with his (Turnbull's tentative budget).

Castion then asked if we have always had 3 month's reserve. Trustee Slattery stated that it has been a policy since 2012, and we are audited yearly by an independent accountant. Castion asked if the audit is available for review, and Accountant Witt responded affirmatively. Trustee Gavin expressed his praise for the smooth audit process which he attributed to the excellence of Township Accountant Colleen Witt. Gavin reiterated the transfer of funds being done only at the Town Meeting and was done due to the fact that the Levy for the Road District is not enough to have completely redone the roads instead of in being done in a patchwork-only fashion. Gavin stated that there is no guarantee that such would definitely happen again at an Annual Meeting, especially without detailed planning. Gavin also said that by law, we have to pass a budget, but noted that you don't always get what you want in a budget.

Another person, "Samantha" also asked if anyone had considered how expensive vehicles were, and asked if there could be a conversation before all the "cuts" were made in the budget. Supervisor Vera reiterated the fact that there was only a 2-week reserve in Turnbull's proposed budget. At no time when the first budget was submitted did Turnbull give any detail on spending needs vs. wants and that there were just numbers. Turnbull had needed to look at how he could get from a 2 week reserve to the required 3 month reserve when he first turned in the budget according to Vera. Vera noted that a previous Highway Commissioner would come before the board with a 4-5 year plan with details and drawings for the roads and equipment that would be needed, give the board the condition of the roads in the township, and his timeframe for the roads needing repair and that was why the board chose twice to transfer the funds at the Annual Meeting to speed road projects. Vera continued, explaining that the cuts alluded to were because of the need for the reserves we must have because there are no tax receipts until June. Vera said that we run on a fiscal year that starts in April, so there must have enough to cover April 1 to June and you can't do that with the two week reserve that he (Turnbull) had in his original budget. That is why he (Trustee Slattery) is making the suggestions he made tonight.

Jay asked about what amount was transferred this year, and why not give him an additional \$450,000.00 on top of his budget for a reserve fund? Supervisor Vera said that we are not sitting here with any funds to do that. Furthermore a transfer of funds from General Town to the Road District was done at an Annual Meeting and that is not until next April. Jay asked if Accountant Witt could answer his question about what was given this year when Supervisor Vera said that is not the right question. Accountant Witt stated that a transfer from the General Town fund was done in two of the past five

years, but had also stated that a transfer from General Town doesn't normally transfer money to the Road District. Jay stated that prior to Turnbull there were 35 holes in his street, and that the first day he (Turnbull) was on the job, that they came by and repaved his whole street and he thought that was pretty nice. Jay went on about road conditions in the area and Supervisor Vera replied that was the jurisdiction of the Road Commissioner, not the board.

After no further public comment, Clerk Kinsella asked for a motion to adopt Ordinance No. 2020-03 (RD). Trustee Slattery made a motion to adopt Ordinance No. 2020-03 (RD) with the amendments that he made to the Road District's Budget. Trustee Gavin seconded the motion. Clerk called the roll. Ayes (5), Nays (0).<sup>2</sup>

Clerk Kinsella then stated that there being no further comment, she requested a motion to close the Public Hearing and reconvene the previously recessed September 22, 2020 Regular Town Board Meeting. Trustee Hertzmann made a motion to adjourn the Public Hearing. Trustee Verdin seconded the motion. Voice vote was taken. Ayes (5), Nays (0)<sup>3</sup>

Public Hearing Closed: 6:12 p.m.

Respectfully submitted,

Julie A. Kinsella  
Clerk

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<sup>2</sup> Roll call vote: Ayes: Trustees Slattery, Gavin, Verdin, Hertzmann, and Supervisor Vera. Nays: (0)

<sup>3</sup> Voice vote: Ayes: Trustees Slattery, Gavin, Verdin, Hertzmann, and Supervisor Vera. Nays: (0)