

**MINUTES OF THE REGULAR MEETING
OF THE GURNEE VILLAGE BOARD**

**GURNEE VILLAGE HALL
DECEMBER 4, 2017**

Call to Order

Mayor Kovarik called the meeting to order at 7:00 p.m.

Other Officials in Attendance

Patrick Muetz, Village Administrator; David Ziegler, Assistant Village Administrator/Community Development Director; Bryan Winter, Village Attorney; Brian Gosnell, Finance Director; John Kavanagh, Fire Chief; Kevin Woodside, Police Chief; Sandra Campbell, Deputy Police Chief, Jack Linehan, Assistant to the Administrator

Roll Call

PRESENT: 6- Jacobs, Ross, Garner, Balmes, Hood, Thorstenson
ABSENT: 0-None

Pledge of Allegiance

Mayor Kovarik led the Pledge of Allegiance.

A. PUBLIC COMMENT

Kim Oclon
1025 Depot Road
Gurnee, IL

Ms. Oclon read a prepared statement regarding Depot Road. She stated her concerns include speed enforcement, litter and property maintenance. She also provided the Village Board with pictures and a copy of the email correspondence she has had with the Mayor regarding the issues.

B. APPROVAL OF CONSENT AGENDA

It was moved by Trustee Jacobs, seconded by Trustee Garner to approve the Consent Agenda as presented.

Roll call,

AYE: 6- Jacobs, Ross, Garner, Balmes, Hood, Thorstenson
NAY: 0- None
ABSENT: 0- None
Motion Carried.

C. CONSENT AGENDA / OMNIBUS VOTE

The Village Administrator read the consent agenda for an omnibus vote as follows:

1. Approval of the minutes from the November 20, 2017 Village Board meeting.
2. Approval of Ord. 2017 - 55 approving the Plat of Easement dedicating a water main easement to the Village of Gurnee on Lot 2, Block B in the Gurnee Mills Subdivision.
3. Approval of setting bid date of January 16, 2018 for Highland Avenue Water Main and Sanitary Sewer Improvement Project.
4. Approval of Payroll for period ending November 24, 2017 in the amount of \$810,447.05.
5. Approval of Bills for the period ending December 4, 2017 in the amount of \$432,844.73.

It was moved by Trustee Balmes, seconded by Trustee Garner to approve the Consent Agenda for an omnibus vote as read.

Roll call,

AYE: 6- Jacobs, Ross, Garner, Balmes, Hood, Thorstenson
NAY: 0- None
ABSENT: 0- None
Motion Carried.

D. PETITIONS AND COMMUNICATIONS

1. Approval of a Proclamation recognizing the Illinois' Bicentennial.

Mayor Kovarik read proclamation into record.

It was moved by Trustee Balmes, seconded by Trustee Jacobs to approve of a Proclamation recognizing the Illinois' Bicentennial.

Voice Vote: ALL AYE: Motion Carried

E. REPORTS

1. Presentation by Finance Director Brian Gosnell – Recommended Financial Policy updates.

Current Policies

- Accounts Receivable Policy – Last Update 7/10/06
- Debt Policy – Last Update 12/19/05
- Fixed Asset Policy – Last Update 6/4/07
- Fund Balance Policy – General Fund – Last Update 3/7/11
- Pension Funding Policy – Created 7/11/16
- Purchasing Policy – Last Update 12/19/05
- Investment Policy – Last Update 9/14/15
- Identity Theft Policy – Last Update 11/3/08
- Social Security Number Protection Policy – Last Update 3/7/11
- Fiscal Contingency Policy – Created 4/3/17

Accounts Receivable Policy

- IV. Ambulance Billing
 - Clarify Finance coordinates with PBS
 - Add Finance Director as authority to forgive debt
 - Administrative authority for adjustments over \$5k when due to a billing or receipting error

Trustee Ross said it would be a good idea if the Board knew more about billing errors over \$5,000.

Finance Director Gosnell explained the error is made by the third-party billing company and many times corrected immediately. He stated the errors are not made by staff. He continued to state it could be brought before the Village Board, however, in order to provide good customer service staff and the billing company work quickly to correct the bill and get a new statement out.

Trustee Ross asked what the policy was before.

Director Gosnell stated errors over \$5,000 would come before the Village Board, however, errors of this magnitude have not occurred during his tenure with the Village.

Trustee Ross stated she was under the impression the errors that were being discussed were internal to Village operations, not made by a third-party.

Director Gosnell clarified this was not the case.

Debt Policy

- 5. Update language with current MSRB requirements
- Add allowance of capital leases and low interest government backed loan programs (IEPA)

Fixed Asset Policy

- Increase threshold of inventoried assets to be equivalent to capitalization thresholds
- Remove physical inventory every 7 years

Mayor Kovarik asked for clarification regarding inventorying items under \$25,000.

Director Gosnell explained the items under \$25,000 are not capitalized and the proposed changes to the policy would mirror the capitalization policy with the threshold of \$25,000.

Mayor Kovarik asked how staff keeps track of equipment under \$25,000.

Gosnell explained that each individual department is required to maintain a list per the policy.

Mayor Kovarik then asked the frequency in which the list must be reconciled with the physical inventory.

Gosnell stated that the current policy requires an audit every 7 years by

an outside appraisal company. He continued to state this audit could be conducted in-house.

Mayor Kovarik said what happens if equipment under the threshold disappears? How do we know it was disposed of properly?

Director Gosnell stated right now that responsibility is left with each individual Department to monitor.

Muetz stated on a periodic basis staff does bring forward a resolution authorizing the disposal of equipment.

Mayor Kovarik stated that her concern is ensuring internal controls are in place to monitor Village assets and that equipment that may not be considered capital is still inventoried.

Fund Balance Policy

- Clarify use of excess reserves
- Remove requirement of notifying Village Board of assigning fund balance for debt service
 - Still notify for any other purpose

Pension Funding Policy

- Move assumptions to an Exhibit
 - Easier management of assumption changes with independent actuary

Purchasing Policy

- Expand joint purchasing authority to include professional organizations such as IML and LCML
- Remove bid newspaper publication notice of non-public works bids or if otherwise required by State Statute
- Update bid language to reflect ILCS limit of \$25,000
- Municipal RFP's within 6 months
- Release checks under Village Administrators approval authority (\$20,000)

Fraud Prevention Policy

- Requirement of State Grant
- Definition & Examples of Fraud
- Reporting Procedure
 - Supervisor/HR
- Confidentiality
- Investigation
- Corrective Action
 - Disciplinary Action

Gosnell stated staff would take the feedback from this meeting and update the policies are necessary.

Muetz stated the policies will be included in the budget document for consideration in April.

F. OLD BUSINESS None.

G. NEW BUSINESS None.

H. PUBLIC COMMENT None.

Closing Comments None.

Adjournment It was moved by Trustee Balmes, seconded by Trustee Garner to adjourn the meeting.

Voice Vote: ALL AYE: Motion Carried.

Mayor Kovarik adjourned the meeting at 7:21 p.m.

**Andrew Harris,
Village Clerk**

