Avon Township Board of Audit Meeting Minutes

February 20, 2019

<u>Call to order</u> – Supervisor Will Huston called the meeting to order at 7:00 PM in the main chamber of the Avon Town Hall, 16881 Queens Road, Avon, (MN).

Pledge of Allegiance - The pledge was recited.

<u>Roll Call</u> – Present: Supervisor Will Huston, Supervisor Mike Linn. Absent: Supervisor John Merdan. Absent: Treasurer Kelly Martini and Clerk Stephen Saupe. Also present: Marion Gondringer (*Deputy Clerk*), Paul Buttweiler (*Deputy Treasurer*).

<u>Approval of agenda</u> – Linn moved to approve the agenda. Huston second. All in favor. Motion carried.

Scheduled Business

Examination of Claims – The Supervisors audited the claims. Claims were randomly selected, examined and compared to the records maintained independently by the Treasurer and the Clerk/Deputy Clerk. The claims were found to be in order; all claims were allowed. (A summary of claims examined and allowed is given in Table 1). Linn moved to accept the audit of the 2018 claims. Second by Huston. All in favor. Motion carried.

Table 1: Summary of the 2017 claims audited at the 2018 Audit Board Meeting								
Claim #	Date	Amount	Amount Claim					
3258	1/2/18	120.87	Star Publications	Yes				
3266	2/7/18	148.94	PERA	Yes				
3286	3/7/18	681.19	ExCel Energy	Yes				
3308	4/4/18	7.50	American Heritage Bank	Yes				
3322	5/2/18	68.69	Century Link	Yes				
3346	6/6/18	26.86	Albany Auto Value	Yes				
3358	7/11/18	1427.88	Internal Revenue Service	Yes				
3378	8/1/18	46.55	Mn Unemployment Ins	Yes				
3396	9/5/18	13.63	John Merdan	Yes				
3423	10/3/18	1298.23	Ramler Trucking & Trailer	Yes				

- 2. Examine / Audit Town Accounts The year-end financial records maintained independently by the Treasurer (Figure 1) and by the Clerk/Deputy Clerk (Figure 2) were examined and compared. One difference was found concerning the January PERA payment which cleared the bank on 12/31/18. Discussion included whether the payment should be included in 2018 records, as it appears in the bank statement, (as per Clerk records) or in 2019 records since it is labeled as a 2019 expense (as per Treasurer records). Since Town financial records are a Cash Basis Accounting system, the decision was made to have this expense included in the 2018 records. Motion by Huston to have the Treasurer move the January PERA payment into December 2018 so that our records match the bank for audit purposes. Second by Linn. All in favor. Motion carried.
- 3. Bank Account Audit The bank account balances independently maintained by the Treasurer (Figure 1) and Clerk/Deputy Clerk (Figure 2) were examined and compared. Motion by Huston to approve the

Avon Township - 2019 Board of Audit Minutes

audit of the bank records. Second by Linn. All in favor. Motion carried.

- **4.** Budget for 2020 After examining the budgeted and actual disbursements and receipts for 2018, and reviewing the 2019 budget, the Supervisors determined the budget amounts for 2020 (Figure 3).
- 5. Levy for 2020 Analyzing the financial status of the Township, the Supervisors determined the levy amounts for 2020 which will be recommended to the residents for approval at the Annual Meeting. Levy amounts recommended are: General Revenue \$82,850; Road & Bridge \$315,600; Fire \$70,000; Capital Reserve \$2,000 for a total levy of \$470,450. Also noted: The last payment on the loan for the Town Hall will be made in 2019. The levy totals recommended by the Supervisors have been stable since 2011. (see Levy History Below) Motion by Huston to recommend to the residents at the Annual Meeting a total levy of \$470,450; General Revenue \$82,850; Road & Bridge \$315,600; Fire \$70,000; Capital Reserve \$2,000. Second by Linn. All in favor. Motion carried.

Levy History

Fund 2010		2011	2012-2017	2018	2019	Projected	
						2020	
General Revenue	\$34,200	\$43,300	•••	\$162,000	\$156,000	\$82,850	
Road & Bridge	\$300,800	\$315,800	• • •	\$196,100	\$196,100	\$315,600	
Fire	\$55,000	\$55,000	•••	\$63,000	\$70,000	\$70,000	
Capital Reserve	\$25,000	\$10,000	• • •	\$3,000	\$2,000	\$2,000	
Total	\$415,000	\$424,100	Same amount	\$424,100	\$424,100	\$470,450	

- **6.** Meeting continuation– Motion by Huston to continue the meeting until March 12, 2019, at 8:10, to accept the amended Treasurer financial report. Second by Linn. All in favor. Motion carried.
- 7. March 12, 2019 re-open 2019 Audit Board Meeting continued from the February 20, 2019 meeting –Meeting was reopened by Huston at 8:15 PM on March 12, 2019.
- 8. Accept Treasurer amended financial report Treasurer's report was presented as amended. Motion by Linn to accept amended Treasurer's report. Second by Huston. All in favor. Motion carried.
- **9.** Adjournment Motion by Linn to adjourn meeting at 8:17 PM. Second by Huston. All in favor. Motion carried.

Respectfully submitted,			
Marion Gondringer, Deputy	Clerk		
Deputy Clerk signature:	date:	;	
Supervisor Approval:		date:	
Will Huston	 Mike Linn	John Merdan	

<u>Clerk Financial Re</u>	port 12/31/2018									
Account Name	2018 Beginning Balance		Receipts	D	bisbursements	Enc	ding Balance			
General revenue	\$ 124,534.20		218,524.15	\$	162,598.61	\$	180,459.74			
Road and bridge	\$ 177,776.46	\$	234,561.62	\$	97,094.61	\$	315,243.47			
Road Damage Deposit	\$ 1,450.00	\$	600.00	\$	200.00	\$	1,850.00			
Fire	\$ 7,359.02	\$	61,177.67	\$	62,729.00	\$	5,807.69			
Capital Reserve Fund	\$ 41,493.10	\$	2,905.60	\$	1,237.78	\$	43,160.92			
Total	\$ 352,612.78	\$	517,769.04	\$	323,860.00	\$	546,521.82	Total		
						\$	546,521 . 82	Cross check		
Bank Account Balan	ces 12/31/2018									
						Bui	lding Bond	Date	Amount	
Checking (American Heritage Bank)			77,579.42			* Initial Amount - 05/19/2010			\$	560,000.00
Outstanding Checks		\$	7,563.22			Pay	/ments:	2011	\$	50,000.00
Deposits in Transit			0					2012	\$	60,000.00
								2013	\$	60,000.00
Checking Balance (American Heritage Bank)		\$	70,016.20					2014	\$	60,000.00
Money Market (Americ	an Heritage Bank)	\$	465,704.25					2015	\$	60,000.00
Money Market (Credit Union)		<u>\$</u>	10,801.37					2016	\$	65,000.00
								2017	\$	65,000.00
End of the Year Bank Balance Total								2018	\$	70,000.00
	Cross Check	\$	546,521.82					2019		
						Pai	d to Date:		\$	490,000.00
						Rei	maining Balance	2:	\$	70,000.00
Supervisor Will Huston		Sup	ervisor Johr	n Me	rdan	 Su	pervisor Mike	e Linn		
		-								
Deputy Clerk Mari	on Gondringer for:									
Clerk Stephen Saup	be									

Figure 2. Clerk/Deputy Clerk end-of-year financial statement (To be inserted upon acceptance)

Avon Township - 2019 Board of Audit Minutes

page 5

Avon Township Proposed Budget – Year 2	n Township Proposed Budget – Year 2020 Clerk											
	2018 Actuals		20	2018 Budget			2019 Budget			2020 Budget		
	Expense	Income	Expense	Income	Levy Amount	Expense	Income	Levy Amount	Expense	Income	Lev Amoun	
GENERAL					2 Should			7 Should			7 Lino dit	
Payroll - including meeting wages, monthly stipends, PERA,												
Medicare, IRS, MN Revenue	30,593.23		38,000			34,100			38,000			
Office - printers, furniture, expendable supplies, postage	2,660.53		1,200			1,000			3,000			
Mileage	1,242.63		1,500			1,500			1,500			
Elections - judge stipends, machine maintenance, County admin.	5,491.41	6.00	5,000			3,500			5,000			
Financial - County assessments, Truth-in-taxation, safe deposit			14,600			15,500						
box, bank fees, consultant fees	17,342.00								15,000			
Insurance - MAT Workers Comp; building, vehicles	8,538.47		7,000			13,000			10,000			
Township Administration - MAT Dues, workshops, conferences	2,563.54	202.36	2,500			3,000			3,000			
Legal - Notices	735.75		2,000			1,000			1,000			
Legal - Attorney fees	-		3,000			3,000			3,000			
Utilities - electric, internet, propane, septic	6,933.72		7,500			7,700			7,700			
Utilities - compost site; garbage; sanitation	1,084.45		1,200			1,200			1,200			
Town Hall (Financial) - Facility debt payment; land tax	76,900.00		77,000			75,000			_,			
Town Hall (Maintenance) landscaping, cleaning supplies	2,348.39		250			250			1,000			
Town Hall - awards, celebrations, memorials, meetings	208.14		250			250			250			
Miscellaneous	200111		6,000			2,000			0			
Receipts (Permits & Fees) CUP; IUP; Variances; Cert of Compliance;			0,000			2,000			Ĵ			
Plat signing, Alcoholic bev license; Driveway; Noise	250.00	2,350.00		2,000			2,000			2,000		
Receipts (Services) - Special assessment searches		625.00		500			500			500		
Receipts - Interest earned		823.92								800		
Receipts: Royalties (i.e., Midcontinent Cable/Solar)		3,735.93		2,500			3,500			3,500		
Total	156,892.26	7,743.21	167,000	5,000	162,000	162,000	6,000	156,000	89,650	6,800	82,850	
ROAD & BRIDGE												
Payroll - maintenance employee, plow drivers, including PERA,												
Medicare, IRS, MN Revenue	50,763.44		48,000			48,000			55,000			
Roads - Reconstruction & improvements	585.00		129,700			129,700			250,000			
Roads - maintenance & repair, crack filling	12,093.00		18,000			18,000			18,000			
Fuel, oil	5,896.76		4,000			4,000			6,500			
Truck maintenance & registrations	5,870.22		14,000			14,000			8,000			
Salt sand	23,367.60		10,000			10,000			13,000			
Shop Materials	632.78		1,200			1,200			1,200			
Mowing - tractor rental, equipment purchase	1,400.00		1,800			1,800			1,800			
Weed control - tree removals, chemicals, spray equipment	990.00		500			500			1,000			
Animal Control	-		100			100			100			
Signs	1,439.94		800			800			1,000			
Receipts (County) - Gas & gravel tax		43,627.33		32,000			32,000			40,000		
Total	103,038.74	43,627.33	228,100	32.000	196,100	228,100	32,000	196,100	355,600	40,000	315,600	
FIRE	,	.,	,	_,_ 50	,	,	-,		,	-,	,	
Fire protection fees	62,729.00		63,000			70,000						
Total	62,729.00		63,000	0	63,000	70,000	0	70,000	70,000		70,000	
CAPITAL IMPROVEMENT												
Capital fund - (1/2 chipper value)	1,200.00					2,000						
Total	1.200.00		0	0	3.000	2.000	0	2,000	2,000		2,000	
10141	1,200.00		•	0	- ,	462,100						