

**GRAFTON TOWNSHIP REGULAR BOARD MEETING MINUTES  
May 9, 2013**

**1. Call to Order**

Clerk Ford called the meeting to order at 7:30 p.m.

**2. Roll Call**

Present: Clerk Ford, Trustees Murphy, Zirk, McMahon, Road Commissioner Freund.

Absent: Supervisor Moore, Trustee LaPorta

**3. Election of a Temporary Chairman**

**Motion by Trustee Zirk, seconded by Trustee McMahon to elect Trustee Murphy as Temporary Chairman. All present voted AYE. MOTION PASSED.**

**4. Pledge of Allegiance**

The Pledge of Allegiance was said at this time.

**5. Approval of Agenda**

**6. Regular Business**

**A. Audit and Payment of Bills.**

**Motion by Trustee Zirk, seconded by Trustee McMahon, to pay the Town Fund Bills pending when funds are available, excluding payment to: John M. Nelson \$24,162.50; Kujovich Consulting \$600.00; Ottosen, Britz, Kelly, Cooper, Gilbert & DiNiff \$39,007.89; Printing and Then Some \$295.60 (2 charges @ \$147.80 each BMO Harris Bank MasterCard charges \$2,644.68; Grafton Township GA Fund \$462.04/Annual Meeting mischarge; J.A. Ketchmark \$864.20; McHenry County Council of Governments \$475.00.**

**Motion by Trustee Zirk, seconded by Trustee McMahon, to modify the motion to pay the Town Fund pending when fund are available to include payment to Jack Freund of \$7162.30 and to the Grafton Road District \$7122.30; excluding payment to: John M. Nelson \$24,162.50; Kujovich Consulting \$600.00; Ottosen, Britz, Kelly, Cooper, Gilbert & DiNiff \$39,007.89; Printing and Then Some \$295.60 (2 charges @ \$147.80 each); BMO Harris Bank MasterCard charges \$2,644.68; Grafton Township GA Fund \$462.04/Annual Meeting mischarge; J.A. Ketchmark \$864.20; McHenry County Council of Governments \$475.00.**

**AYES: Trustees Zirk, McMahon, Murphy**

**NAYS: None**

**ABSENT: Supervisor Moore, Trustee LaPorta**

**MOTION PASSED.**

**Motion by Trustee Zirk seconded by Trustee Murphy, to pay the Road District bill as presented by the Road Commissioner. (EXHIBIT I)**

**AYES: Trustees Zirk, Murphy, McMahon**

**NAYS: None**

**ABSENT: Supervisor Moore, Trustee LaPorta**

**MOTION PASSED.**

**B. Approval of Minutes**

1. Minutes of the April 11, 2013 Regular Township Board Meeting.

2. Minutes of the April 25, 2013 Special Township Board Meeting.

**Motion by Trustee Zirk, seconded by Trustee Murphy to approve the Minutes of the April 11, 2013 Regular Township Board Meeting and the Minutes of the April 25, 2013 Special Township Board Meeting.**

**All Trustees present vote AYE. MOTION PASSED.**



**7. Public Comment/ Board Members Response to Public Comment**  
Joe Vokaty

Assessor Ottley left the meeting at 7:45 p.m.

**8. Old Business**

A. Discussion and potential action on Sun City Neighborhood 12 payment of funds owed to residents/ \$640 donation.

This item will be placed on the June Regular Township Board Meeting.

**9. New Business**

A. Discussion and potential action on \$300.00 being charged to General Assistance for the 2011 Audit.

**Motion by Trustee Zirk, seconded by Trustee McMahon, to charge \$300.00 to General Assistance for the 2011 Audit.**

**AYES: Trustees Zirk, McMahon, Murphy**

**NAYS: None**

**ABSENT: Supervisor Moore, Trustee LaPorta**

**MOTION PASSED.**

B. Discussion and potential action on 5% of each bill for the 2012 and 2013 audits being charged to General Assistance.

**Motion by Trustee Zirk, seconded by Trustee McMahon, to charge 5% of each bill for the 2012 and 2013 audits to General Assistance.**

**AYES: Trustees Zirk, McMahon, Murphy**

**NAYS: None**

**ABSENT: Supervisor Moore, Trustee LaPorta**

**MOTION PASSED.**

C. Discussion and potential action on Grafton Road District paying 35% of the audit bills for the 2012 and 2013 audits.

Discussion: Road Commissioner Freund objects. He said he would pay 25%, but not more.

**Motion by Trustee Zirk, seconded by Trustee Murphy, to table this item until the June Regular Township Board Meeting.**

**AYES: Trustees Zirk, Murphy**

**NAYS: Trustee McMahon**

**ABSENT: Supervisor Moore, Trustee LaPorta**

**MOTION FAILED.**

D. Discussion and potential action on 5% of charges for utilities, including phone, electric, gas, and copier being charged to General Assistance.

**Motion by Trustee Zirk, seconded by Trustee Murphy, to table this item until the June Regular Township Board Meeting.**

**AYES: Trustees Zirk, Murphy, McMahon**

**NAYS: None**

**ABSENT: Supervisor Moore, Trustee LaPorta**

**MOTION PASSED.**

E. Discussion and potential action on Grafton Road District funding 50% of the Clerk's budget.

**Motion by Trustee Murphy, seconded by Trustee Zirk, to table this item until the June Regular Township Board Meeting.**

**AYES: Trustees Murphy, Zirk, McMahon**  
**NAYS: None**  
**ABSENT: Supervisor Moore, Trustee LaPorta**  
**MOTION PASSED.**

F. Establishment of agenda items for next meeting.  
Items as stated at this meeting; Prevailing Wage Ordinance; Violation of OMA.

**9. Reports**

A. Supervisor/Absent

B. Trustees -Trustee Murphy read a report from Mitch Cohen, Forensic Auditor.  
(EXHIBIT II)

C. Clerk- Newly elected officials are required to complete the OMA certification available  
online at the website for the Illinois Attorney General.

D. Assessor/Absent

E. Road Commissioner-(EXHIBIT III)

**10. Executive Session**

None

**11. Adjournment**

**Motion by Trustee Murphy, seconded by Trustee Zirk, to adjourn the meeting.**  
**Roll Call/Voice Vote/All present voted Aye. MOTION PASSED.**

**Meeting adjourned at 8:05 p.m.**

Submitted,



Harriet Ford  
Grafton Township Clerk

# EXHIBIT I

## Other bills due to the Road District from the Township

\$	428.00	Annual Paying Agent Fee - Aug 1, 2010-July 31, 2011	Approved at Jan 13 & Feb 10, 2011 meetings
\$	700.00	Legal Bill for Intergov. Agreement - Feb 2011	Approved at Mar 10, 2011 meeting
\$	975.00	Legal Bill for Early Payment - May 2011	Approved at Jul 14, 2011 meeting
\$	74.53	Mailbox for clerk - Sept 2010	Approved at Oct 14, 2010 meeting
\$	42.01	Water pump for building - Assessor funds - May 2011	Approved at Jun 9, 2011 meeting
\$	87.75	Assessor's bathroom fan - Assessor funds - Dec 2011	Approved at Dec 8, 2011 meeting
\$	2,307.29		

## Health Insurance reimbursements due to Jack Freund

\$	310.60	Oct-11	
\$	310.60	Nov-11	
\$	310.60	Dec-11	
\$	310.60	Jan-12	
\$	310.60	Feb-12	
\$	310.60	Mar-12	
\$	310.60	Apr-12	
\$	310.60	May-12	
\$	310.60	Jun-12	
\$	310.60	Jul-12	
\$	310.60	Aug-12	
\$	310.60	Sep-12	
\$	310.60	Oct-12	
\$	310.60	Nov-12	
\$	310.60	Dec-12	
\$	322.00	Jan-13	
\$	322.00	Feb-13	
\$	325.00	Mar-13	
\$	325.00	Apr-13	
\$	325.00	May-13	
\$	6,278.00		
\$	844.30	Amount under reimbursed in 2009-2012 (see attached sheet)	
\$	7,122.30	Total Due	

## Bills NOT paid from the ROAD DISTRICT Funds

\$	40.00	Township Highway Commissioners of IL	Approved at Jul 12 & Aug 9, 2012 meetings
----	-------	--------------------------------------	---



Total \$  
under/over  
\$ (674.80)

\$ (193.50)

\$ 90.00

\$ (66.00)  
            
 \$ (844.30)





847.291.1333  
847.291.1190 Fax  
www.ecsfinancial.com

May 6, 2013

Grafton Township  
10109 Vine Street  
Huntley, IL 60142

RE: Forensic Audit/Investigation Status  
VIA: E-mail

Dear Board,

I have been asked to provide a report on the preliminary findings regarding my Forensic Audit/Investigation of Grafton Township and the financial records and processes utilized by Grafton Township. While I have not completed all of my due diligence and analysis, which will allow me to provide final findings, the following is a listing of preliminary areas I believe warrant consideration:

1. According to the draft report from Forensicon, their investigation "strongly supports" that a computer in Trucking Dispatch had an eraser program was installed on 2/15/10. "The apparent use of scrub software on this date resulted in the creation of 69,500 file entries, each with an altered name and each reporting a logical size of zero (0)". The purging appears to have been successful as Forensicon cannot determine, at the time of their work was done, the file contents or file names prior to use of Eraser on 2/15/10. I am still in the process of determining if and when authority was provided for the installation of the eraser program and the deletion of the files identified.
2. At the beginning of the engagement the Supervisor refused to sign our engagement letter or pay the retainer even though the Board approved both by a vote of 4 to 1 on November 8, 2012. As a result of this failure on the part of the Supervisor, the Trustees were forced to go to Court in February, 2013 which resulted in Judge Caldwell finding the Supervisor in Civil Contempt of Court punishable by 30 days in McHenry County jail if she did not comply with the contractual authority of the Board. Upon announcement of the finding, the engagement letter was signed and the retainer was paid by the Supervisor in less than a week's time and in the latter portion of March, 2013, Judge Caldwell vacated the charge based on Supervisor Moore's fulfillment of these items.
3. I have been unable to obtain either from the Supervisor or the Clerk copies of the original financial statements from May 2008 to April 2013 which were presented to the Board each month as a part of the Board Packets.

*Exceptional Customer Service*

ECS Financial Services, Inc. • 3400 Dundee Road • Suite 180 • Northbrook, IL 60062

During the course of our engagement, it will be necessary for us to prepare written reports presenting our findings. These reports are to be used only in connection with the matters discussed in the above paragraphs and may not be published or used in any other manner. Additionally, upon our review of the documentation provided, our findings may not coincide with your expected outcome. If this occurs we understand your right to cancel this engagement, but in any case, you agree to compensate us for all time expended to date.

If anyone requests or subpoenas any information or materials related to this engagement, which is in our custody or control, we will inform you. Should you request us to take any legal action to seek protection against disclosure of such information or materials you agree to either retain counsel for us, or indemnify us for all costs and expenses, including attorney's fees and expenses.

It is understood that Grafton Township Board of Trustees accepts responsibility for payment of our fees, and it is agreed that our fee is not contingent on the results of the audit/investigation..

My billing rate is \$185 per hour for services, travel time and court appearances, which will not be increased without notice to you. Other individuals in our firm may be needed during the course of the audit/investigation and in finalizing and assembling the final report at rates from \$85 per hour to \$250 per hour.

We will require a retainer of \$10,000 to be paid prior to beginning our work. The retainer will be used to pay for any costs in the final invoice and any overage will be refunded to you when our engagement is completed.

We will submit bills to you monthly, payable within 30 days, which will be based on our standard hourly rate for this type of service, plus out of pocket expenses. We reserve the right to defer rendering further services until payment is received on past due invoices. We also reserve the right to charge 1 ½ % interest on all overdue invoices. Should information become known that makes our involvement in this engagement inappropriate or should the attorneys or parties involved in the matter change, we reserve the right to withdraw from this engagement.



4. I have been unable to obtain from either the Supervisor or the Clerk a copy of the original list of bills included in the original Board Packets from May 2008 to April 2013 which were voted on each month.

Again, this is a sample of items I have discovered to date. It is not all-inclusive, nor does it include my opinion with regard to each item, which will be provided once my due diligence and analysis are complete, at which time I will provide a full report and explanation of my findings.

Additionally, the items mentioned above do not constitute any accusations against any parties directly mentioned, I am merely detailing items that I am currently investigating further.

Sincerely,  
ECS Financial Services, Inc.

A handwritten signature in black ink, appearing to read 'Mitchell M. Cohen', with a long horizontal flourish extending to the right.

Mitchell M. Cohen, CPA, CFE, FCPA  
Principal



Road District of Grafton Township

Jack Freund, Highway Commissioner

10109 Vine Street, Unit A

Huntley, IL 60142

Phone 847-669-5070

Fax 847-659-1075

**HIGHWAY COMMISSIONER REPORT**

April 2013

- There were no Special Moving permits.
  
- TOWNSHIP HIGHWAY COMM OF IL bill for \$40.00 was not paid that was approved to be paid at the July 12, 2012 meeting (10 months ago).
  
- Need copies of all Road District BANK STATEMENTS for APRIL 2013
  
  
- Reports – Still have not received any since August 2011.

If you have questions, please give me a call at the office and come in and see me.