

Avon Township Board of Audit Meeting Minutes

February 20, 2019

Call to order – 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.

Roll Call – 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*).

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

Scheduled Business

- 1. 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	Claim	Allowed?
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

Figure 1. Treasurer End-of-year financial statement

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

Clerk Financial Report 12/31/2018					
Account Name	2018 Beginning Balance	Receipts	Disbursements	Ending 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	<i>Cross check</i>
Bank Account Balances 12/31/2018					
				Building Bond	Date
					Amount
Checking (American Heritage Bank)	\$ 77,579.42			* Initial Amount - 05/19/2010	\$ 560,000.00
Outstanding Checks	\$ 7,563.22			Payments:	2011 \$ 50,000.00
Deposits in Transit	<u>0</u>				2012 \$ 60,000.00
					2013 \$ 60,000.00
Checking Balance (American Heritage Bank)	\$ 70,016.20				2014 \$ 60,000.00
Money Market (American Heritage Bank)	\$ 465,704.25				2015 \$ 60,000.00
Money Market (Credit Union)	\$ <u>10,801.37</u>				2016 \$ 65,000.00
					2017 \$ 65,000.00
End of the Year Bank Balance Total					2018 \$ 70,000.00
	<i>Cross Check</i>	\$ 546,521.82			2019
				Paid to Date:	\$ 490,000.00
				Remaining Balance:	\$ 70,000.00
_____ Supervisor Will Huston		_____ Supervisor John Merdan		_____ Supervisor Mike Linn	
_____ Deputy Clerk Marion Gondringer for:					
Clerk Stephen Saupe					

Figure 3: 2020 Proposed Budget

Avon Township Proposed Budget – Year 2020											
Clerk											
	2018 Actuals		2018 Budget			2019 Budget			2020 Budget		
	Expense	Income	Expense	Income	Levy Amount	Expense	Income	Levy Amount	Expense	Income	Levy Amount
GENERAL											
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 admn	5,491.41	6.00	5,000			3,500			5,000		
Financial - County assessments, Truth-in-taxation, safe deposit box, bank fees, consultant fees	17,342.00		14,600			15,500			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			0		
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			6,000			2,000			0		
Receipts (Permits & Fees) CUP, IUP; Variances; Cert of Compliance; 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											
Fire protection fees	62,729.00		63,000			70,000			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 chpper value)	1,200.00					2,000					
Total	1,200.00		0	0	3,000	2,000	0	2,000	2,000		2,000
Grand Totals	323,860.00	51,370.54	458,100	37,000	424,100	462,100	38,000	424,100	517,250	46,800	470,450
									Expense	Income	\$ Levy