

RESOLUTION NO. 2025 - 6

**A RESOLUTION AUTHORIZING THE SETTLEMENT
OF TAX OBJECTIONS CONCERNING THE PERMANENT ROAD FUND LEVY**

WHEREAS, the Milton Township Road District ("Road District") exists and operates in the State of Illinois pursuant to the Illinois Township Code, 60 ILCS 1.01 *et seq.* and the Illinois Highway Code, 605 ILCS 5/6-101 *et seq.*, ; and

WHEREAS, the Road District is a defendant in two cases in which Plaintiffs are objecting to the Road District's levy and resultant tax rate for the Permanent Road Fund for the levy years 2022 and 2023 pending, respectively, as Case Nos. 2022 TO 000001 and 2023 TO 000001 in the Eighteenth Judicial Circuit Court; and

WHEREAS, the amount claimed at issue in the cases is \$194,519.82; and

WHEREAS, counsel for the Plaintiffs and the Road District have engaged in settlement negotiations resulting in an agreement to settle the claims herein named for the total amount of \$100,000.00; and

WHEREAS, pursuant to the settlement proposed, the Road District will pay to the Plaintiffs' counsel the total amount of \$100,000.00 from the current fiscal year's Permanent Road Fund; and

WHEREAS, the Highway Commissioner of the Road District has determined that it is reasonable and prudent and in the best interests of the taxpayers of the Road District to enter into the proposed settlement.

NOW, THEREFORE BE IT RESOLVED by the Highway Commissioner, Milton Township Road District, DuPage County, Illinois, as follows:

SECTION ONE: That the recitals set forth above are incorporated herein and made a part hereof.

SECTION TWO: That the settlement proposed herein is approved, and the officers, officials, employees and counsel for Milton Township are authorized and directed to take such action, including execution of any documents required for purposes of settlement in the court cases, as are necessary to carry out and effectuate the intent and purposes of the settlement and this Resolution.

SECTION THREE: That payment of settlement shall be made in accordance with the Parties' agreement.

SECTION FOUR: That all resolutions or motions in conflict with this Resolution are hereby repealed to the extent of such conflict.

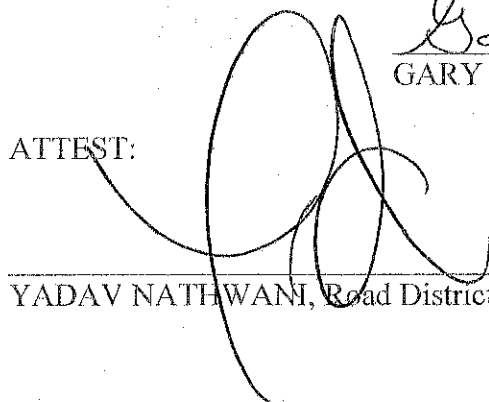
SECTION FIVE: That this resolution shall take effect immediately upon passage.

ADOPTED AND APPROVED by the Milton Township Highway Commissioner of Milton Township, Illinois on this ____ day of March, 2025.

APPROVED:


GARY MUEHLFELT, Highway Commissioner

ATTEST:


YADAV NATHWANI, Road District Clerk



MILTON TOWNSHIP HIGHWAY DEPARTMENT

Gary Muehlfelt, Highway Commissioner

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On the list of warrants for this meeting is a payment in the amount of \$100,000.00 to settle two pending objections to the Highway Department's Permanent Road Fund levy in levy years 2022 and 2023. The claim stated is that there is an illegal excess accumulation in the Fund for the two years at issue.

Unfortunately, according to information from my consultant and Township attorney who has worked with me and the Township on billing matters, these claims arise due to a Township internal accounting error. In these years, monies for payment of certain bills should have been taken from the Permanent Road Fund but instead were paid from the Road and Bridge Fund, which then required funds to be transferred from the Permanent Road Fund to the Road and Bridge Fund. This internal transfer of funds was a bank transfer, but has been treated, apparently, as a Fund loan. The auditor has reported the "loans" as "assets" of the Permanent Road Fund which has led to the claim of excess accumulation.

It would be difficult to correct the audits at this date, and at this time, it is not known the effect the correction would have on the Road and Bridge Fund. Accordingly, I have determined to settle the two pending objections.

I recommend, however, that this matter be cleared up with the Auditor to correct the issue in the upcoming audit year.