

**SPECIAL MEETING OF THE SHELBY COUNTY BOARD**

**March 3, 2026 @ 6:00 PM**

Video archive of entire meeting can be found at [shelbycounty-il.gov](http://shelbycounty-il.gov) under You Tube

The Shelby County Board met on Tuesday, March 3, 2026, at 6:00 P. M. in Courtroom A of the Courthouse in Shelbyville, Illinois for a special board meeting.

Chairman Mayhall called the meeting to order and all those present recited the Pledge of Allegiance.

County Clerk Jessica Fox called the roll. McCormick, Mitchell, Price, Pritchard, Strohl, Syfert, and Tate were absent.

Chairman Mayhall called for Public Body Comment.

A comment was made about the need to leave things to the professionals.

Brad Porter from the auditing firm of Lauterbach & Amen addressed the board virtually. Porter thanked the county staff that assisted in helping with the audit, as well as the board for the opportunity, and Anna Cadmus and her team as Sikich for the phenomenal audit-prep work. Porter explained that the audit prep work handled by Sikich involves all of the necessary entry to the county general ledger to ensure balances are audit ready for the cash basis of accounting, reconciliation, grant summarization and compiling all of the documents necessary for audit testing by Lauterbach & Amen.

Porter informed the board there was 4 pieces of required communication he planned to address with the board.

The first is the SAS 114 letter which states Lauterbach and Amen encountered no disagreements or difficulties in the course of performing the audit. (Letter attached to these minutes).

The second is SAS letter 115, which is a letter to the board identifying significant deficiencies or material weaknesses. The county received a qualified or modified audit opinion for fiscal year ending August 30, 2022, where a prior auditor indicated that certain balances or items in the audit were not materially correct, or they were unable to obtain sufficient audit evidence to support certain balances. Lauterbach and Amen sought to clean up a number of these items in the 2023 audit process and did so. Porter stated he would not expect the county to receive another SAS 115 letter for the 2024 audit. (SAS 115 letter attached to these minutes).

Summarizing some of annual financial report, Porter wanted to key intangible components of the audit. He first addressed pages 1-3 which is the independent auditor's report. Porter reported the firm has issued an unmodified opinion, which is the cleanest form of opinion that any entity can receive.

On page 9(statement of revenues, expenditures, and changes in fund balances) there was an increase in general fund balance of almost \$1.45 million dollars ending the year with just over \$5,626,815, which was a 35% increase over the previous fiscal year. The county as of 11/30/2023 has just over 7.5 months of operating expenses in general fund or unassigned fund balances. (County audit posted on website).

Best practice recommendations made in the management letter included a policy and procedure manual, grant administration, outstanding check write-off policy, capital asset policy, fund balance policy, timeliness of audit, off-balance sheet accounts, and funds over budget. (Management letter with recommendations attached to these minutes). Porter stated they have several sample policies the board may want to implement in the future.

Matlock made motion to approve the audit as presented. Boehm seconded said motion. Discussion was held.

Mayhall thanked Porter and the team at Lauterbach and Amen, Sikich and the county department heads on their work in finalizing the FY 2023 audit. Mayhall stated the BAL committee will look at the policy recommendations suggested, and he would be in touch to get sample policies. Mayhall will also work with those departments who receive various grants to develop some cohesiveness to help streamline the audit prep process.

Matlock questioned the ARPA funds and asked if they encountered any issues with grant testing under the fiscal year audited.

Gregg thanked the auditors and stated the board will use the recommendations provided to establish some consistency in accounting principles so that things are clear.

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Porter recommended the board reach out to other counties as procedures vary from county to county. Porter also stated that a policy and procedure manual should be reviewed annually.

Mayhall thanked Lauterbach & Amen, Sikich, and department heads for all of their work in getting this audit wrapped up. The budget/audit/legislative committee will work on creating policies for the various items recommended such as a policy and procedure manual, grant reporting, budgeting of all funds, and other ways to streamline the auditing process to help expedite the gathering of information.

Matlock asked about any issues with ARPA funds and reporting. Porter state there were no issue with grant testing under fiscal year 2023.

Gregg thanked the auditors, asked about examples of policy/procedure manuals, and the need for the board to establish some consistency in accounting principle that makes it clear for all involved.

Chairman Mayhall again called for public body comment. There was none.

There was no further business to come before the county board.

Boehm made motion to adjourn the special meeting. Wood seconded said motion, which passed by voice vote (14 yes, 0 no). The special meeting was adjourned at 6:30 PM.

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Jessica Fox  
Shelby County Clerk and Recorder