

MINUTES OF THE FINANCE COMMITTEE MEETING OF THE VILLAGE OF METTAWA, ILLINOIS, HELD AT THE HOUR OF 6:00 P.M. ON JANUARY 19, 2021 BY ZOOM

A. CALL TO ORDER

Chairman Maier called the meeting to order at 6:00 p.m.

The Village meetings are being conducted in accordance with the recently amended provisions of the Open Meetings Act, the Governor's Disaster Proclamation and the Governor's Executive Order which provides that meetings attended by more than 25 persons are not feasible, an in-person meeting is not practical nor prudent at this time. Therefore, the meeting is being conducted in a virtual conference format.

B. ROLL CALL

Upon a call of the roll, the following were:

Present: Chairman Maier and Trustees Brennan and Towne

Absent: None

Chairman Maier declared a quorum.

Also, on the call: Village Administrator, Bob Irvin; Village Clerk, Sandy Gallo; Village Treasurer, Carol Armstrong; Financial Consultant, Dorothy O'Mary; Trustee Pink

C. APPROVAL OF THE MINUTES

Chairman Maier requested a motion to approve the December 15, 2020 meeting minutes. Financial Consultant O'Mary indicated on page 2 under Item I, the SSA number indicated should be 2 not 13. It was moved by Trustee Towne and seconded by Trustee Brennan that the minutes be approved reflecting the change and they be placed on file. The motion was carried.

D. REVIEW OF INVOICES PRESENTED FOR PAYMENT

Trustee Towne asked if the Pizzo and Associates Inc, invoicing was being submitted according to approved agreement. Village Administrator Irvin confirmed indeed the invoices were billed correctly.

Chairman Maier stated the approved amount for bills to be paid is \$176,563.13.

E. REVIEW OF THE TREASURER'S REPORT FOR DECEMBER

Village Administrator Irvin said the village property and maintenance account, is higher this month due to the Pizzo's various invoices all being reflected in one month. These types of expenses can vary on when the work is completed in the year, but their overall amounts are still on track with the budget. Financial Consultant O'Mary indicated this time of the year we reflect on the year-to-date amounts and how they compare to the percentage of the budget already utilized.

F. REVIEW STATUS OF OUTSTANDING TAX REBATE CHECKS

Village Treasurer Armstrong indicated there are three outstanding tax rebate checks that have not been cashed. Chairman Maier asked the Village Treasurer Armstrong to reach out to the three residents to determine if they received the check or if a new check needs to be issued.

G. UPDATE ON ADDRESSING THE ISSUES IN THE 2019-20 AUDIT MANAGEMENT LETTER

Chairman Maier said every year after the Village audit, Sikich LLP auditors provides a list of deficiencies they find. Chairman Maier indicated this audit reflected the lowest count of deficiencies. The audit management letter listed four deficiencies; however, two of the deficiencies have been implemented and cleared. The two deficiencies at hand are segregation of duties and inconsistent classification. The segregation of duties will continue to be listed, unless the Village decides to hire additional staff. Village Administrator Irvin indicated the Village has a very low risk factor. The Village does not accept nor handle any cash transactions. Chairman Maier added the tax revenue funds are direct deposited into the bank. When funds are required to be transferred several procedures are followed before a transfer can be performed. For instance, one Trustee will need to initiate the transfer while a second Trustee will need to confirm where the funds should be allocated. Chairman Maier indicated the interactive account group deficiency was addressed and it should drop off for the next audit. The property taxes deficiency means a journal entry is required to remove the levy receivable and deferred revenue. This matter has also been handled. The last deficiency which is, the inconsistent classification should improve as the right accounts are being coded and account adjustments are being made prior to the audit. Village Administrator Irvin said this classification was noted at last year's audit and we have worked on this matter to remove the deficiency in the upcoming audit. Financial Consultant O'Mary remarked the Village has greatly benefitted from many of the suggestions the audit team has remarked in order to reduce the Village's deficiencies outcome.

H. DISCUSS AUDIT AGREEMENT WITH SIKICH, LLP

Chairman Maier stated Sikich has provided us a new 3-year proposal for their auditing services. The 2020 rate was \$27,750. The 2021 service work was quoted at \$28,450, a 2.5% increase from last year. The following 2-years will also have an increase of about 2.7% for each year. The Finance Committee approved the 3-year proposal from Sikich. The Committee's consensus was that they have been very content with the service level Sikich has provided the Village.

I. ANY OTHER ITEMS THAT MAY APPEAR TO THE COMMITTEE FOR CONSIDERATION, AND IF APPROVED, BE RECOMMENDED FOR APPROVAL TO THE BOARD OF TRUSTEES

Village Administrator Irvin mentioned the two Committees will begin reviewing their first draft of the FY2021-22 Budget at their February meetings. The Committee will further review their budget a second time after any adjustments have been made at their March meeting. The final budget will be presented to the Finance Committee at the March meeting. The public hearing for the FY2021-22 budget will be held in April.

J. ADJOURNMENT

With no further business to conduct, it was moved by Trustee Brennan and seconded by Trustee Towne that the meeting be adjourned at 6:21 p.m. Sandy Gallo, Village Clerk