

**MINUTES OF THE COMMITTEE-OF-THE-WHOLE MEETING OF THE PRESIDENT AND
BOARD OF TRUSTEES OF THE
VILLAGE OF ARLINGTON HEIGHTS
Virtual Meeting
June 15, 2020 at 6:30 PM**

President Hayes called the meeting to order at 6:30 PM.

BOARD MEMBERS PRESENT: President Hayes; Trustees Baldino, Canty, LaBedz, Padovani, Rosenberg, Scaletta, Schwingbeck and Tinaglia

BOARD MEMBERS ABSENT: None

STAFF MEMBERS PRESENT: Village Manager Randy Recklaus; Legal Counsel Robin Ward; Finance Director Tom Kuehne; Assistant Finance Director Mary Ellen Juarez and Accounting Manager Alexis Smulson

OTHERS PRESENT: Timothy Carter, Dr. Kristen Brown and Anthony Cervini

Mayor Hayes called the meeting to order and explained that due to COVID 19 restrictions and guidelines, the meeting is being held virtually.

Due to technical difficulties, the order of the interviews was switched.

A. Interview of Timothy Carter for Appointment to the Senior Citizen Commission term ending 4/30/23

Mayor Hayes introduced Timothy Carter and asked why he is interested in serving on the Senior Citizen Commission and his qualifications. Mr. Carter is currently in charged at the Evanston Senior Center. Mr. Carter stated that he had just moved to Arlington Heights and has a passion for working with older adults. The Trustees thanked Mr. Carter for his willingness to serve. Trustee Schwingbeck asked what Mr. Carter could bring to the Commission. Mr. Carter said he thinks he can help to make sure the needs are being met for residents and keeping Arlington Heights an age friendly community. Trustee Scaletta asked if Mr. Carter saw anything missing from our senior center. Mr. Carter said that in his brief overview of the center he thought it was a very comprehensive program. Trustee Rosenberg suggested that Mr. Carter meet with James McCalister and Karie at the Senior Center.

Trustee Baldino moved to concur in the Mayor's appointment of Timothy Carter to the Senior Citizen's Commission – Term ending 4/30/2023. Trustee Schwingbeck seconded the motion.

The following voice vote was recorded:

9 Ayes

0 Nays

The motion passed.

B. Interview of Dr. Kristen Brown for Appointment to the Board of Health – term ending 4/30/2021

Mayor Hayes introduced Dr. Kristen Brown and explained that she was originally on the March 16 agenda for an interview but that meeting had been cancelled due to COVID19. Mayor Hayes inquired as to why Dr. Brown wanted to serve. Dr. Brown stated she wants to serve as a local pediatrician she cares a lot about the community as she is raising a family of four within the community and her practice is in Arlington Heights. Dr. Brown hopes she can bring her medical knowledge to the committee as well as a network. Trustee Canty asked what Dr. Brown felt was the biggest health concern for the Village. Dr. Brown said COVID would be the biggest concern but safety in general and poverty and resources for health. Trustee Rosenberg thanked Dr. Brown for wanting to serve. Trustee Tinaglia stated his children went through Dr. Brown's practice and he feels good in making a motion.

Trustee Tinaglia moved to concur in the Mayor's appointment of Dr. Kristen Brown to the Board of Health – Term ending 4/30/2021. Trustee Canty seconded the motion.

The following voice vote was recorded:

9 Ayes

0 Nays

The motion passed.

C. Review of the 12-month period ending 12/31/19 Comprehensive Annual Financial Report (CAFR)

Tom Kuehne introduced staff and Anthony Cervini, Partner in Charge with Sikich LLP, the Village's new auditing firm. Mr. Cervini presented the results of the 2019 CAFR. Mr. Cervini commended the Village for the preparation of a CAFR, which goes over and beyond what is needed for minimum reporting and is done in the spirit of full disclosure and transparency.

Mr. Cervini congratulated the Village on receiving the Certificate of Achievement for Excellence in Financial Reporting for last year's audit report (December 31, 2018) which was submitted to the GFOA. This award is the highest award a financial report is able to receive.

The Independent Auditor Report was highlighted. It was pointed out that management is responsible for the fair presentation of the financial statement, and that the auditors are responsible for providing an opinion on the statements based on the audit. This year, the Village did expend greater than \$750,000 of federal awards, which triggers a single audit requirement of having greater than \$500,000 in a combination of federal and state dollars which requires the GASB opinion.

For the Opinion Section, Sikich gave the Village a clean, unmodified opinion, the highest opinion that they can give, which means the numbers in the audit are fairly presented. Under the Opinion Report, the Village adopted two new statements: GASB Statement No. 83 *Certain Asset Retirement Obligations* and GASB Statement No. 84 *Fiduciary Activities*. The reporting entity was modified to remove the Arlington Heights Memorial Library, as the

Library is not considered to meet the definition of a discretely presented component unit of the Village in accordance with GASB Statement No. 61.

Mr. Cervini explained the Management's Discussion and Analysis section. The MD&A is a summary narrative of everything that has happened within the audit report at a high level. Mr. Cervini explained The Village's total net position increased by \$14.5 million during the calendar year ending 12/31/19. The governmental net position increased by 12.6 million and the business-type activities net position increased by \$1.9 million.

The Village's combined Governmental Funds ending fund balance decreased by \$2.2 million. At the end of the current fiscal year, the unrestricted fund balance for the General Fund was \$30,593,029 or 40.5% of General Fund expenditures.

Under the Police and Firefighters Pension, Mr. Cervini noted that due to the COVID19 pandemic, the plans have experienced significant declines in quoted prices on active markets. No adjustments have been made to these financial statements as a result of this uncertainty.

An overview of the pension funds was given: Police pension almost 85% funded, Fire Fighters pension 77% funded, and IMRF 92% funded.

Trustee Rosenberg thanked staff and Sikich for the work done on the audit. Trustee Rosenberg asked Mr. Cervini his opinion on how the pandemic may affect the Village. Mr. Cervini said they expect reserve levels to come down and the market may continue to remain volatile. Mr. Cervini did say that he felt the Village was well situated going into the remainder of the year.

Trustee Scaletta moved to accept the CAFR as presented. Trustee LaBedz seconded the motion.

The following voice vote was recorded:

9 Ayes

0 Nays

The motion passed.

C. OTHER BUSINESS – There was no further business.

D. ADJOURNMENT - Trustee Scaletta moved, and Trustee Padovani seconded the motion to adjourn. The meeting adjourned at 8:05 p.m.