

**MINUTES
CITY OF ST. CHARLES, IL
GOVERNMENT OPERATIONS COMMITTEE
MONDAY, NOVEMBER 16, 2015**

1. Opening of Meeting

The meeting was convened by Chairman Stellato at 7:21 p.m.

2. Roll Call

Members Present: Chair. Stellato, Ald. Silkaitis, Payleitner, Lemke, Turner, Bancroft, Krieger, Gaugel, Bessner, and Lewis

Absent:

**3. Omnibus Vote.
Budget Revisions – October 2015**

Motion by Ald. Bessner, second by Bancroft to approve the omnibus items as presented.

Voice Vote: Ayes: Unanimous; Nays: None. Chrmn. Stellato did not vote as Chairman. **Motion carried.**

4. Inventory Control Division

- a. Recommendation to approve an Ordinance Authorizing the Mayor and the City Clerk of the City of St. Charles to Approve the Award of a 2016 Ford F250 Pick-up Truck 4x4/7.5 Boss Superduty Snow Plow to Currie Motors Fleet and Sell Replaced 2003 F-350 SD Vehicle #1938.**

Mike Shortall: On behalf of the St. Charles Electric Department, I am seeking approval to accept the low quote for a Ford F250 4x4 pick-up with plow from Currie Motors of the Suburban Cooperative Purchasing Program and would also like to make a correction on this agenda to state it is a 4x4 not a 4x2. This vehicle has passed budget and the Public Services Vehicle Committee and I'm also seeking approval to sell the replacement vehicle #1938, a 2003 Ford F350 pick-up to be sold via publics surplus.com – our City online auction service.

Motion by Ald. Silkaitis, second by Bessner to recommend approval of an Ordinance Authorizing the Mayor and the City Clerk of the City of St. Charles to Approve the Award of a 2016 Ford F250 Pick-up Truck 4x4/7.5 Boss Superduty Snow Plow to Currie Motors Fleet and Sell Replaced 2003 F-350 SD Vehicle #1938.

Voice Vote: Ayes: Unanimous; Nays: None. Chrmn. Stellato did not vote as Chairman. **Motion carried.**

- b. Recommendation to approve an Ordinance Authorizing the Mayor and the City Clerk of the City of St. Charles to Approve the Award of a 2016 International 7400 SFA 6x4, With Monroe Truck Equipment Body Modifications, to Rush Truck Centers and Sell Replaced 2005 IHC 7400-SFA-6X4 Vehicle #1886.**

Mike Shortall: On behalf of the St. Charles Public Services Department, I am seeking approval to accept the low state bid for 2016 International 7400 6x4 truck with 13-foot Monroe RDS body and snow plow equipment. This was passed through budget and the Public Services Vehicle Committee. Additionally I'm seeking approval to sell the replacement vehicle #1886, a 2003 International 7400 to be sold on the City online public auction.

Motion by Ald. Turner, second by Bancroft to recommend approval of an Ordinance Authorizing the Mayor and the City Clerk of the City of St. Charles to Approve the Award of a 2016 International 7400 SFA 6x4, With Monroe Truck Equipment Body Modifications, to Rush Truck Centers and Sell Replaced 2005 IHC 7400-SFA-6X4 Vehicle #1886.

Voice Vote: Ayes: Unanimous; Nays: None. Chrmn. Stellato did not vote as Chairman. **Motion carried.**

- c. Recommendation to approve an Ordinance Authorizing the Mayor and the City Clerk of the City of St. Charles to Approve the Award of a 2016 International 7400 SFA 4X2, With Monroe Truck Equipment Body Modifications, to Rush Truck Centers and Sell Replaced 2003 IHC 7400-SFA-4X2 Vehicle #1715.**

Mike Shortall: On behalf of the St. Charles Public Services Department, I am seeking approval to accept the low state bid for 2016 International 7400, a 4x2 truck with 10-foot RDS with radius stump body and snow plow equipment. This was passed through budget and the Public Services Vehicle Committee. Additionally I'm seeking approval to sell the replacement vehicle #1715, a 2003 International 7400 4x2 truck to be sold via publicsurplus.com.

Motion by Ald. Silkaitis, second by Bessner to recommend approval of an Ordinance Authorizing the Mayor and the City Clerk of the City of St. Charles to Approve the Award of a 2016 International 7400 SFA 4X2, With Monroe Truck Equipment Body Modifications, to Rush Truck Centers and Sell Replaced 2003 IHC 7400-SFA-4X2 Vehicle #1715.

Voice Vote: Ayes: Unanimous; Nays: None. Chrmn. Stellato did not vote as Chairman. **Motion carried.**

- d. Recommendation to approve an Ordinance Authorizing the Mayor and the City Clerk of the City of St. Charles to Approve the Award of a 2016 International 7400 SFA 4X2, with Monroe Truck Equipment Body**

Modifications, to Rush Truck Centers and Sell Replaced 2006 IHC 7400-SFA-4X2 Vehicle #1723.

Mike Shortall: On behalf of the St. Charles Public Services Department, I am seeking approval to accept the low state bid for 2016 International 7400 4x2 truck with 10-foot Monroe RDS body and snow plow equipment. This was passed through budget and the Public Services Vehicle Committee. Additionally I'm seeking approval to sell the replacement vehicle #1723, a 2006 International 7400 and this truck will be sold via publicservice.com as well.

Motion by Ald. Silkaitis, second by Bessner to recommend approval of an Ordinance Authorizing the Mayor and the City Clerk of the City of St. Charles to Approve the Award of a 2016 International 7400 SFA 4X2, with Monroe Truck Equipment Body Modifications, to Rush Truck Centers and Sell Replaced 2006 IHC 7400-SFA-4X2 Vehicle #1723.

Voice Vote: Ayes: Unanimous; Nays: None. Chrmn. Stellato did not vote as Chairman. **Motion carried.**

5. Finance Department

- a. Recommendation to accept the Comprehensive Annual Financial Report, Single Audit Report and Management Letter for the fiscal year ended April 30, 2015.

Chris Minick: This evening will be requested a recommendation to accept the Comprehensive Annual Financial Report, Single Audit Report and Management Letter for the fiscal year ended April 30, 2015. As the committee is aware, each year statutes require the City to undergo the audit by an independent CPA firm of the City's finances, financial operations results, and financial position on an annual basis. We've contracted with Sikich, LLP out of Naperville, IL for the past several years to provide this service for the City. We have three representatives from Sikich here this evening to discuss the results of the audit with the committee. Mr. Fred Lantz from Sikich is the partner on the engagement and accompanied with Jason Askin and Nick Bava.

Fred Lantz: We are here tonight to present information resulting from our audit to the City of year end April 30, 2015. There are three documents for your review and approval this evening. We did issue 13 documents as a result of the audit this year. There were six different TIF compliance audits all with clean unmodified opinions and we prepared and submitted several reports on the Police Pension Fund and the Fire Pension Fund that we sent to their boards for review and approval. I will go through the Comprehensive Annual Financial Report (CAFR) and answer any questions you may have in regards to this document. The City has voluntarily chosen to prepare this, even though it's not required by Illinois compiled statutes by the Illinois State Comptroller's office or by generally accepted accounting principles, in a spirit of full disclosure, transparency, and accountability. We do commend and congratulate the City for publishing and preparing this CAFR which is also reviewed very positively by the rating agencies. This is viewed as a very positive reflection of the administration and the overall finances of the City. This will enable the City to

continue to receive the coveted Certification of Achievement for Excellence of the Comprehensive Annual Financial Report.

Fred proceeded to go through the CAFR and elaborate on the following pages:

- Page iv – Letter of Transmittal.
- Page 1 – Independent Auditor’s Report.
- Page 2 – Independent Auditor’s Report – Opinions, Required Supplementary Information, and Other Information sections.
- Page 3 – Other Reporting Required by Government Auditing Standards section.
- Page 4 – Management’s Discussion and Analysis.
- Pages 18 - 28 – Financial Statements:
 - Statement of Net Position
 - Statement of Activities
 - Statement of Activities – cont’d
 - Balance Sheet Government Funds
 - Balance Sheet Government Funds – cont’d
 - Statement of Revenues, Expenditures and Changes in Fund Balance Governmental Funds
 - Statement of Net Position Proprietary Funds
 - Statement of Revenues, Expenses and Changes in Net Position Proprietary Funds
 - Statement of Cash Flows Proprietary Funds
- Page 40 – Deposits and Investments – Note 2a “Deposits with Financial Institutions.”
- Page 72 – Defined Benefit Pension Plans – cont’d (there will be a change with GASB for Police and Fire pensions that will impact the City going forward – line 3 “Unfunded – Overfunded – Actuarial Accrued Liability” will now need to be recorded as of April 30, 2016).

Single Audit Report: pages 5,6,8 “Independent Auditor’s Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by OMB Circular A-133.

New Management Letter: there were two changes in Illinois compound statutes effective January 1, 2015. One requires that any time you receive an audit report you invite the independent auditor to a public meeting to present the report. Second requirement is to post a management letter, if you receive one, on your city’s website which you have received.

Overall, the city has no significant deficiencies or material weaknesses over control of the financial reporting.

Motion by Ald. Lemke, second by Krieger to accept the Comprehensive Annual Financial Report, Single Audit Report and Management Letter for the fiscal year ended April 30, 2015.

Voice Vote: Ayes: Unanimous; Nays: None. Chrmn. Stellato did not vote as Chairman. **Motion carried.**

Motion by Ald. Lemke, second by Bessner to enter into Executive Session at 7:41 p.m. to discuss Land Acquisition.

Roll Call: Ayes Ald. Krieger, Gaugel, Bessner, Lewis Silkaitis, Payleitner, Lemke, Turner, Bancroft, ; Nays: None. Chrmn. Stellato did not vote as Chairman. **Motion carried.**

6. Executive Session

- Personnel
- Pending Litigation
- Probable or Imminent Litigation
- Property Acquisition
- Collective Bargaining
- Review of Minutes of Executive Sessions

Motion by Ald. Silkaitis, second by Gaugel to come out of Executive Session at 8:00 p.m.

Voice Vote: Ayes: Unanimous; Nays: None. Chrmn. Stellato did not vote as Chairman. **Motion carried.**

7. Additional Items from Mayor, Council, Staff or Citizens.

8. Adjournment

Motion by Ald. Lemke, second by Turner to adjourn meeting at 8:00 p.m.

Voice Vote: Ayes: Unanimous; Nays: None. Chrmn. Stellato did not vote as Chairman. **Motion carried.**