

VILLAGE OF MOUNT PROSPECT

AUDIT COMMITTEE

AGENDA

Tuesday, June 22, 2021
5:30 PM

Village Hall – Third Floor – Executive Conference Room

- I. Call to Order
- II. Approval of Minutes
 - a. September 24, 2020
- III. Citizens to be Heard
- IV. Old Business
- V. New Business
 - a. Draft Audit Report – Year 2020
- VI. Other Business
- VII. Chair Report
- VIII. Finance Director Report
- IX. Next Meeting – TBD
- X. Adjournment

NOTE: ANY INDIVIDUAL WHO WOULD LIKE TO ATTEND THIS MEETING BUT BECAUSE OF A DISABILITY NEEDS SOME ACCOMODATION TO PARTICIPATE SHOULD CONTACT THE FINANCE DIRECTOR'S OFFICE AT 50 SOUTH EMERSON STREET, MOUNT PROSPECT, ILLINOIS 60056 OR BY PHONE AT 847-392-6000.

**AUDIT COMMITTEE
MINUTES OF THE MEETING HELD
September 24, 2020**

Online – GoToMeeting Portal

I. Call to Order

The meeting was called to order at 6:15 pm. Members present were Audit Committee Chair Tim McDermott, Village Trustees William Grossi and Richard Rogers, Finance Commission member Grochocinski. Finance Director Amit Thakkar, Asst. to the Finance Director Jenni Fitzgerald and Asst. to the Village Manager Alex Bertolucci were in attendance from the staff.

II. Approval of Minutes

Approval of Minutes for June 18, 2020. Motion to approve was made by Vince Grochocinski and a second was made by Richard Rogers. Motion passed.

III. Citizens to be Heard

There were no citizens to be heard.

IV. Old Business

There was no old business

V. New Business

AUDIT RFP – 2020-2024

Director of Finance presented the documents received in response to the Auditing Services RFP. The proposals were received from GW & Associates, BKD, Miller Copper and Lauterbach & Amen. Director of Finance stated that based on experience and costs involved, staff is recommending to award the auditing service engagement to Lauterbach & Amen.

Based on the above data, the Staff had recommended Lauterbach & Amen for a 5-year audit engagement. Staff recommended Lauterbach & Amen based on their expertise, the amount of time proposed to be spent on the audit, Village's experience with them, and the costs involved for a 5 year engagement. Staff had invited Lauterbach & Amen to attend the Audit Committee meeting. Lauterbach & Amen audit partner Matt Beran and Audit Manager Tim Gavin were in attendance at the meeting.

Matt Beran informed the Audit Committee about the history of the Lauterbach & Amen firm. The firm specializes in Government Audits. It is a 20 year old firm and they are the largest in the Government sector in the State of Illinois. They were the Village Auditors from the year 2009 to 2013. They have also worked with the Village for many special

projects including audit work papers in 2018. The firm has served hundreds of Governmental clients in the State of Illinois. Tim Gavin provided an overall idea about their audit process. The Audit Committee had several questions including independence, audit process, current clientele, fees structure, GASB pronouncements, and their experience with various types of the audit opinions issued. Matt Beran and Tim Gavin gave satisfactory answers to all the questions.

Staff also disclosed that the Lauterbach & Amen has another division who serves pension funds. The Village of Mount Prospect Police and Fire Pension Funds are being served by their pension division. Matt Beran and Tim Gavin informed the Audit Committee that Independence is very important for them and they are taking it very seriously. They are in direct contact with AICPA, who sets the rule for CPAs conducting audits. They have obtained clearance from AICPA to serve pension funds while being the auditor of the Village. The firm also get reviewed from the Peer Review Board after every three years. All the Peer Review Reports so far have been very clean and that clearly proves that they have maintained their independence while serving the clients, and they are allowed to serve as an Auditor of the Village while serving the pension funds. Lauterbach & Amen had several similar engagements in the past and they currently are also serving other clients in the same capacity. At the end of the day, pension funds are separate entities from the Village, and the Village is required to fund them properly.

The Audit Committee considered staff recommendation, audit fees involved, references provided and a few other factors. After receiving satisfactory responses and considering the listed factors, Audit Committee Member Vincent Grochocinski motioned the approval of auditing services in favor of Lauterbach and Amen. Trustee/Audit Committee Member Rich Rogers seconded the same. Motion was approved unanimously.

VI. Other Business

There was no other business.

VII. Chair Report

There was no Chair Report.

VIII. Finance Director Report

There was no Finance Director report.

IX. Next Meeting

Next meeting date has not been determined.

X. Adjournment

Audit Committee – Minutes
August 20, 2019

Motion to adjourn was made by Trustee Grossi and a second was made by Trustee Rogers. The meeting adjourned at 7:00 pm.

Amit R. Thakkar
Respectfully Submitted
Amit R Thakkar
Finance Director