

EXHIBIT A

July 23, 2025

FINANCE AND BUDGET COMMITTEE

The Finance and Budget Committee of the Kane County Board has reviewed the minutes of Closed Sessions pursuant to 5 ILCS 120/2.06 and has made a determination as to whether the need for confidentiality still exists as to all or part of those minutes which have not been fully made public.

The Committee has determined that the need for confidentiality still exists as to the Closed Session minutes of: 08/26/2008; 06/22/2009; 05/20/2010; 08/01/2012; 03/27/2013; 10/26/2016; 01/29/2020; 05/26/2021; 03/23/2022; 04/27/2022; and 05/24/2023.

The Committee has determined that the need for confidentiality still exists for certain portions of the Closed Session minutes, not previously disclosed, of: 03/26/2014; 07/24/2024 and such portions shall remain confidential.

The Committee has determined that the need for confidentiality exists as to certain portions of the Closed Session minutes of 01/29/2025.

The Committee has determined the need for confidentiality no longer exists as to certain portions of the Closed Session minutes of 01/29/2025, and those portions of said minutes are approved and shall be disclosed as attached.

FINANCE COMMITTEE
EXECUTIVE SESSION

January 29, 2025

The Kane County Board's Finance Committee met in Closed Session on Wednesday, January 29, 2025, in the County Board Room, Bldg. "A", Kane County Government Center.

ROLL CALL: Committee Vice-Chair Lenert, Juby, Lewis, Sanchez, Surges, Tepe, Ex-Officios Roth, Pierog. Also present: Co. Bd. Members Allan*, Arroyo*, Bates, Gripe, Gumz*, Kious*, Molina*, Penesis*; ASA Frank, Cermak; Treasurer Lauzen; Auditor Wegman; Fin. Exec. Dir. Hopkinson & staff Ramer-Holmes; ITD staff Peters, Meyer; Baker Tilly Representative Michael Malatt.

EXECUTIVE SESSION: The Finance Committee entered into Executive Session at 10:19 a.m. to discuss the release of closed session minutes and reporting and discussion of external auditors and governmental finance committees that could involve concerns of internal control weaknesses and/or fraud on a motion made by Sanchez, Lenert seconded. Motion carried unanimously by roll call vote.

Fin. Exec. Dir. Hopkinson explained that it is normal practice for an outside audit firm to provide a presentation to the governing body after the audit has been completed. She realized that a presentation as such has not been done in Kane County. She introduced Baker Tilly Principal, Mike Malatt. She explained that Malatt would be presenting the FY2023 Audit.

Malatt thanked all County staff for their participation in the annual audit process. He explained that there are a number of different reports that Baker Tilly issues as part of the audit. He shared the Kane County's Annual Comprehensive Financial Report. This report is the financial results of the entire County operation, which includes the Kane County Forest Preserve. He noted that all 415 pages contain the County's information, excluding three pages. These three pages share the Independent Audit Report, which contains information the County can rely upon for the depiction of the overall financial health for FY2023. Malatt stated that Baker Tilly renders an unmodified opinion, which is the highest level of assurance they can provide to the County in accordance with the auditing standards. This means that within the confines of the auditing rules, Baker Tilly is able to say the information shared is accurate and can be relied upon. Malatt stated there is nothing significant in the report. He recommended the Committee read over the Transmittal Letter and the Management's Discussion and Analysis. These sections will provide the audit highlights, such as the financial numbers and contextual non-financial information. Malatt explained that in addition to the audit, Baker Tilly looks into specific areas of the County, such as the audit of the Federal Financial Assistance, or single audit. This is a separate report where Baker Tilly audits the expenditures and compliance with federal regulations around grant awards. Malatt noted that in FY2023, there was approximately \$30M in spending throughout four different programs: Home Program, Transit Services Program, Emergency Rental Assistance Program, and American Rescue Plan Act (APRA) funding. Baker Tilly ensures the County is compliant with federal regulations and that infrastructure and internal controls are in

place to run said programs, appropriately. Malatt explained that the audit found no findings in this aspect of the audit. Additionally, Baker Tilly looked into the Kane County Circuit Clerk's Office, in order to be compliant with the Administrative Office of Illinois Courts (AOIC) regulatory guidelines. Malatt explained this is a compliant report that shows how the Clerk's office handles cases and how the flow of money works. There was a clean opinion reported on this by Baker Tilly. Malatt addressed questions and comments from the Committee.

Malatt stated that there are other reports that Baker Tilly issues on behalf of the County to maintain their regulatory compliance with State entities. He explained that Baker Tilly helped the County compile the Illinois Controllers' Annual Financial Report, which is a desolation of the County's financial statements into a prescribed format by the Comptroller's Office. Malatt stated that no opinion is issued on this report, but is prepared to be submitted to the State. Additionally, there is a report that is completed, which an opinion is issued on for the state agency, the Government Accountability and Transparency Unit. Malatt stated that this is a newly formed state agency that was created to provide a centralized oversight of monies passed through by state agencies to local governments. He explained that Baker Tilly is required to issue an opinion on a report that finance prepares that is used by the state agencies to ensure that the information shared by the County matches their records. He noted that this is the most critical report because it is used by the state agencies when local agencies are delinquent in their audits to freeze funding. Malatt stated that all these reports contain the County's financial information and results that Baker Tilly expresses an opinion on. Thankfully, Kane County's opinion was that every program is meeting the standards and has passed procedures. Malatt stated that the report was completed solely by Baker Tilly for the County is the Results and Insights Letter. This letter is a consolidation of a wide variety of required communications that the audit firm needs to make to the County, or governing body. This report covers the responsibility of the auditor, governing body, management, internal control related matters, audit plan, and any other issues identified in the audit process. Malatt explained that Baker Tilly was able to effectively go through the audit without any identification of material weaknesses or significant deficiencies. He stated that there were no issues with disagreement with management, receiving requested information, or the overall process. [REDACTED]

[REDACTED] Much discussion ensued on the legality of this discussion being held in closed session [REDACTED]

(Committee Member Sanchez left at 11:08 a.m.) (Treasurer Lauzen, Hopkinson, Wegman, Ramer-Holmes, and Malatt left at 11:18 a.m.)

ASA Cermak presented the semi-annual review of closed session minutes. He recommended that the minutes from July 24, 2024 be released in partial. The portion of the minutes that discussed the last semi-annual review of closed session minutes can be released, but the portion that discussed personnel will need to remain confidential. Cermak asked the Committee for a consensus to accept the State's Attorney's Office's recommendations as reflected in Exhibit A. The Committee provided consensus to accept the recommendations and adopt Exhibit A in Open Session.

The Committee returned to Open Session at 11:22 a.m. on a motion made by Surges, Lewis seconded. Motion carried unanimously by voice vote.

Savannah Zgobica
Sr. Recording Secretary

Reviewed and approved by:

Dale Berman, Committee Chair
Finance Committee

Savannah Zgobica
Sr. Recording Secretary

