

FINANCE COMMITTEE

Administration Building
1930 Prairie Street
Glenview, IL 60025
Regular Meeting Minutes
Monday, August 19, 2013

1. Roll Call

Commissioner Peterson called the meeting to order at 8:00 a.m. and the roll was called.

Commissioners/Official Staff present: Commissioners Dan Peterson, Ted Przybylo, Dave Tosh, Charlie Kuhn, Treasurer Bill Moore, Executive Director Chuck Balling, Supt. of Administrative Operations Barb Cremin, Manager of Business Services Nicole Hopkins, and Ron Amen from the audit firm Lauterbach and Amen

Commissioners/Official Staff absent: None

2. Agenda Topics

- a. **Audited Financial Statements for Year ending April 30, 2013:** Ron Amen from the audit firm of Lauterbach and Amen reviewed the outcome of their audit and provided the highlights of the audited consolidated financial statements. The District has once again received an unqualified opinion. An Unqualified Opinion means that, in an independent auditor's judgment, the District's financial records and statements are fairly presented, and in accordance with Generally Accepted Accounting Principles (GAAP). The management letter includes comments on several items including:
 - 1) Notification of a new GASB Requirement that will need to be implemented for the financial statements for the fiscal year ending April 30, 2014 regarding. This GASB Requirement addresses the potential need to incorporate the financial statements of component units of the government, such as Foundations and affiliated organizations into the District's financial statements;
 - 2) Bond and Interest Fund balance. Staff is reviewing the amount of fund balance needed and options to reduce the fund balance as appropriate; and
 - 3) Correction of an accounting transaction that was caused by a software issue and required a fix by the software vendor. This occurred in last fiscal year during an unexpected system malfunction. The impact was not material and is being resolved by the vendor. Staff has provided a response to each of these items that is included with the management letter.
- b. **Tax Levy Discussion:** Barb Cremin presented a preliminary tax levy and plans for addressing the funding needs of the Special Facility Fund. The preliminary tax levy shows an increase of 2.25% over the prior year's extension, exclusive of new growth. This is based on applying the 1.7% CPI increase, the additional costs for Special Recreation operations and their new capital plan and the fluctuation in scheduled bond payments. This follows two years in which the District was able to minimize any increase to the tax levy and essentially kept the increase to the tax levy flat. The preliminary tax levy was prepared to capture up to \$82,500,000 of new growth. It also includes \$314,600 to be used to fund the 2014-2015 Capital Replacement contribution for the Special Facilities. In addition to the revenue from the tax levy, staff recommended that \$1.45M be transferred from the Corporate Fund balance to the Special Facilities Fund to bring reserves to the target levels and to help offset the ongoing expenses while the Glenview Park Golf Course is closed for the course

improvements and storm water management project. Staff is continuing to research the new growth number used and the potential for any reduction in the Board and Interest levy.

- c. **Monthly Financial Statements:** Nicole Hopkins reviewed the items of significant variances. Due to the cool and wet early summer season, pools are expected to not meet budget expectations. Other variances were primarily the result of timing of transactions as compared to budget.

3. Matters from the Public

None

4. Committee Recommendation(s)/Direction

- The Committee is recommending that the Board accept the Audit and Consolidated Annual Financial Reports for the Year Ending April 30, 2013 at the August 22, 2013 Board meeting.
- Commissioner Przybylo requested that staff provide a breakdown of the capital replacement fund balance by facility.
- The Committee requested that staff break down the Bond and Interest fund balance to show the amount that was the result of interest earned.
- The Committee agreed with the tax levy recommendation as presented and a 2.25% increase in the levy, exclusive of new growth.
- The Committee agreed with the plan for transferring \$1.4M from the Corporate Fund to the Special Facilities fund to bring reserves to target levels and cover expenses during the close of the GPGC during the course improvement project.

5. Adjourn

The meeting was adjourned at 9:35 a.m.

ATTEST:

William M. Casey
Board President

Charles T. Balling
Board Secretary

Approved this 26th day of September 2013