

## FINANCE COMMITTEE

Administration Building  
1215 Waukegan Road  
Glenview, IL 60026  
Regular Meeting Minutes  
Monday, September 19, 2011

### 1. Roll Call

Commissioner Patton called the meeting to order at 8:30 a.m. and the roll was called.

Commissioners/Official Staff present: Commissioners Ted Przybylo, Bob Patton, Bill Casey, M.J. Coulson, Dan Petersen; Treasurer Bill Moore, Executive Director Chuck Balling, Supt. of Administrative Operations Barb Cremin, Manager of Business Services Nicole Hopkins; Auditor Ron Amen of Lauterbach and Amen.

Commissioners/Official Staff absent: None

### 2. Agenda Topics

- a. Audit Review—Ron Amen from the audit firm of Lauterbach and Amen attended the meeting and presented the annual audit. No material weaknesses were identified during the audit. A material weakness is defined as a deficiency in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statement will not be prevented or detected or corrected on a timely basis. The SAS 115 letter reports a significant deficiency in internal controls due to adjustments required during the audit. This is standard wording required to meet auditing standards when any adjustment is made during the audit process. Ron Amen explained that 90 out of 100 clients receive this comment and that the actual significance or risk involved is less than what the standard wording would imply. If this were a significant issue it would have been a comment in the management letter. The audit adjustments referred to in the audit were primarily invoices that were provided after the audit process had begun and needed to be accrued. The Accounting staff strives to have no audit adjustments by reviewing submitted bills during may for any items dated prior to May 1, reviewing prior year end audit adjustments to record those entries as part of our closing process and by identifying items that the auditors will need to adjust but that we do not need to record internally. The Management Letter also included a reminder that the GASB Statement No. 54, which sets standards for fund balance reporting and the definition of governmental funds types will need to be implemented for the financial statements prepared for the fiscal year ending April 30, 2012. The reporting of the Enterprise funds will need to be reviewed as part of the implementation of the GASB 54 statement. Staff was aware of this requirement and will prepare the April 2012 statements to comply with GASB 54.

Commissioner Peterson questioned the unfunded IMRF liability in the financial statements and it was explained that the total IMRF unfunded liability is the result of investment results and that the

employer's contribution is being adjusted over a period of years to increase the funding level.

- b. **Tax Levy Discussion**—This proposed levy was prepared based on the committee's direction from the August Finance Committee meeting and using the preliminary EAV and last year's draft tax extension figures recently released by the County Clerk's office. The final levy will be presented for approval at the November 17 Board meeting. The estimated levy of \$15,768,885 will be read at the September board meeting as required. The Property Tax Extension Law Limit (PTELL) is 1.5% for this year's tax levy which funds the 2012-2013 fiscal year. The levy has been prepared to capture the 1.5% increase in the tax-capped funds as allowed by PTELL to help offset the impact of inflation. This equates to approximately \$181,676 of increased tax revenue in the tax-capped funds over last year's tax extension. This CPI increase is being offset by a reduction of \$279,735 in the non-tax capped funds. The net impact is a reduction of \$98,059 over last year's extension, exclusive of the new growth being added to the tax rolls. As in the past, this year's levy was also prepared to capture up to \$110,000,000 of new growth within the District. Although the new growth increases the amount of the tax levy over the prior year's tax extension, it does not impact the tax payer at large but only those taxpayers with property or improvements that are newly added to the tax rolls. The new growth is levied for an amount significantly greater than what we can realistically expect to receive to assure that we capture all of the new growth EAV available to the District. This is done with the understanding that the levy will be reduced by the County Clerk's office to reflect the actual amount of new growth once it becomes known. This proposed levy shows an overall increase of 2.10% which is equivalent to \$324,623; however this is entirely due to capturing the new growth.
- c. **Annual Rollover Bond**—The rollover bonds are issued annually to pay a portion of the debt service on the construction of Park Center. As the District has done in the past, the bonds will be issued in two pieces. The first piece will be issued in October 2011 at a par amount of approximately \$1,315,000 and the smaller second piece of about \$80,000 in the 2nd quarter of 2012. Even though the bonds will be issued in two pieces, there are no additional fees for issuing the second piece.
- d. **Financial Statements**—Nicole Hopkins presented an overview of the August financial statements.

### 3. Matters from the Public—None

**4. Committee Recommendation(s)**

- a. **To accept the 2010-2011 Glenview Park District Comprehensive Annual Financial Report for the year ended April 30, 2011.**
- b. **To approve the estimated tax levy of \$15,768,885 as presented.**
- c. **To work with Ehlers and Associates to market the annual rollover bond for a sale in October 2011.**

**5. Adjourn**—The meeting was adjourned at 10:00 a.m.

ATTEST:

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Angie Katsamakos  
Board President

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Charles T. Balling  
Board Secretary

Approved this 27th day of October, 2011

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