



COMMITTEE AGENDA

Finance Committee

Monday, October 21, 2013 8:00 a.m.

Administration Building Conference Room

1930 Prairie

Glenview, IL 60025

1. Roll Call
2. Agenda topics
 - a. Rollover Bond Issue
 - b. Auditors Contract
 - c. Updated Financial Plan
 - d. Monthly Financial Statements
 - e. Other
3. Matters from the Public
4. Committee Recommendation(s)
5. Adjourn

@ - Designates approval needed with **Roll Call Votes**

ADA Accommodation: If meeting attendees require special accommodation to observe or participate in the meeting, please call (847) 657-3215 forty-eight hours in advance if possible. Hearing-impaired individuals may call TDD number (800) 526-0844.



Glenview Park District

Memorandum

To: Finance Committee
From: Barb Cremin
Date: October 17, 2013
Re: Finance Committee Meeting- October 21, 2013

The Finance Committee is scheduled to meet on Monday, October 21, 2013 at 8:00 a.m. at the Administration Building. The agenda is attached.

Annual Rollover Bond –Michael Bartochowski from Glenview State Bank provided a proposed rate of .40% for the \$1,355,000 General Obligation Refunding Bonds, Series 2013C. Last year's rate was .35%. This is a 1 year bond issue and the proceeds are used to pay the debt service on the construction of Park Center.

John Miller from Ehlers and Associates is recommending approval of Glenview State Bank's proposal. Based on information for other recent comparable sales, this rate looks favorable. For example, the Village of Downers Grove (S&P AAA) sold \$8,360,000 G.O. Refunding Bonds, Series 2013A on a bank-qualified basis on 9/24/13. The first maturity, due 1/1/15, had a yield of .55%. The City of Lake Forest (Moody's Aaa) sold \$9,715,000 G.O. Refunding Bonds, Series 2013 on a Bank Qualified basis on 9/16/13. The first maturity for that issue, due 12/15/14, had a yield of .40%.

Staff Recommendation: To recommend Board approval of Glenview State Bank's proposed rate of .40% for the \$1,355,000 General Obligation Refunding Bond Series 2013 C (annual rollover bond).

Auditor Contract- Lauterbach and Amen have served as the Glenview Park District auditors since 2005 and have shown that they are thorough in their audit process and responsive to the District's timelines and requests for information. They are a mid-sized public accounting firm that is entirely specialized in the governmental sector and well-versed in park district operations. The two partners each have more than 20 years of experience. Due to the firm's size, the district has direct access to a founding partner of the firm and, unlike many larger firms, there are not layers of management and redundancy that drive up the costs. In addition to audit services, they have provided insight and education on various GASB rules to assist the District in effective implementation. Under their guidance, the Glenview Park District applied for and received its first GFOA Certificate of Excellence in financial reporting.

The firm has submitted a proposal for audit services for the fiscal years ending April 30, 2014, April 30, 2015 and April 30, 2016 with fees of \$19,400, \$19,600 and

\$19,800. The current cost for the April 30, 2013 audit was \$19,600 so the new contract is actually a reduction of fees. Staff has verbally checked with other Districts as to their audit fees and found that the proposed fees are reasonable and considerably less than those charged by larger firms.

Staff Recommendation: To recommend Board approval of a 3 year contract for audit services to Lauterbach and Amen, LLP at a cost of \$19,400 for April 30, 2014 audit, \$19,600 for April 30, 2015 audit and \$19,800 for fiscal year 2015 audit.

Updated Financial Plan- This is a follow-up to last month's meeting. Nicole will be distributing a report at the meeting to help clarify the total uncommitted funds in Capital Development. The basic information has not changed. The document presented last month showed a year by year account of the revenues expected to be allocated to Capital Development and the committed use of those funds for that year. The intent was to show the annual impact on the fund balance. Nicole will be providing information about the current uncommitted fund balance in Capital Development to give a better idea of the total Capital Development funds that may be available.

No action is needed.

Monthly Financial Reports- September financial statements will be included in your board packet.

September 20, 2013

Members of the Board of Commissioners
Glenview Park District, Illinois

We are pleased to confirm our understanding of the services we are to provide the Glenview Park District, Illinois for the years ended April 30, 2014, April 30, 2015 and April 30, 2016. We will audit the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information, which collectively comprise the basic financial statements of the Park District as of and for the years ended April 30, 2014, April 30, 2015 and April 30, 2016. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the Park District's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the Park District's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited: management's discussion and analysis, the budgetary comparison schedules, and the pension plan funding progress and employer contribution schedules.

We have also been engaged to report on supplementary information other than RSI that accompanies the Park District's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America and will provide an opinion on it in relation to the financial statements as a whole: combining and individual fund statements and schedules, and other information listed as supplemental and schedules, except for those schedules marked "unaudited."

Audit Objective

The objective of our audit is the expression of opinions as to whether your basic financial statements are fairly presented, in all material respects, in conformity with generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and will include tests of the accounting records and other procedures we consider necessary to enable us to express such opinions. If our opinions on the financial statements are other than unqualified (unmodified), we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue a report as a result of this engagement.

Management Responsibilities

Management is responsible for the basic financial statements and all accompanying information as well as all representations contained therein. You are also responsible for making all management decisions and performing all management functions; for designating an individual with suitable skill, knowledge, or experience to oversee our assistance with the preparation of your financial statements and related notes and any other nonattest services we provide; and for evaluating the adequacy and results of those services and accepting responsibility for them.

Management is responsible for establishing and maintaining effective internal controls, including monitoring ongoing activities; for the selection and application of accounting principles; and for the fair presentation in the financial statements of the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Park District, and the respective changes in financial position and where applicable, cash flows, in conformity with U.S. generally accepted accounting principles.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud or illegal acts affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud or illegal acts could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, regulators, or others. In addition, you are responsible for identifying and ensuring that the entity complies with applicable laws and regulations.

Management Responsibilities (Continued)

You are responsible for the preparation of the supplementary information in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is used with our report thereon. Your responsibilities include acknowledging to us in the representation letter that (a) you are responsible for presentation of the supplementary information in accordance with GAAP; (b) that you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (c) that the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (d) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Audit Procedures – General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards. In addition, an audit is not designed to detect immaterial misstatements, or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors or any fraudulent financial reporting or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will also require certain written representations from you about the financial statements and related matters.

Audit Procedures – Internal Control

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards.

Audit Procedures – Compliance

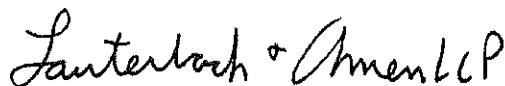
As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, will perform tests of the Park District's compliance with the provisions of applicable laws, regulations, contracts, and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion.

Engagement Administration, Fees, and Other

Our fees for the April 30, 2014 audit will be \$19,400, April 30, 2015 audit will be \$19,600 and April 30, 2016 audit will be \$19,800.

We appreciate the opportunity to be of service to the Glenview Park District, Illinois and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign below and return it to us.

Cordially,



LAUTERBACH & AMEN, LLP

RESPONSE:

This letter correctly sets forth the understanding of the Glenview Park District, Illinois.

By: _____

Title: _____