



Finance Committee Meeting Minutes
Fountain View Recreation Center, Room 120
June 10, 2019
6:01pm – 6:47 pm

Meeting was called to order at 6:01 pm

Present: Commissioners Bird, Powers, Gramann and Sokolowski
Staff: Executive Director Rini, Director Hamilton and Bachewicz, Superintendent Scumaci,
Accounting Specialist Nge

Review of 2018 Consolidated Annual Financial Report - AUDIT

Director of Finance and Administration Rini introduced Matt Beran, Partner with Lauterbach & Amen who oversaw the District's 2018 Audit.

Beran presented an overview of the Consolidated Annual Financial Report, Management Letter, and the Transmittal Letter. Beran highlighted key financial performance items. He also thanked Park District staff for their thorough and organized preparation of required paperwork for the audit process.

- The District received the Government Finance Officers Award for Excellence in Financial Reporting for the 2017 Audit. The District has submitted for this award for 2018.
- The Auditor's Opinion letter is directed to the governing body.
- The Management, Discussion & Analysis (MDA) is a narrative from CSPD management at a high level about the audit report information.
- The Transmittal letter is a financial narrative from CSPD management, explaining what is going on at the District.
- Commissioner Powers asked for an explanation of the deferred inflows/outflows on page 18; Beran replied that they are assets and liabilities that are expected after year end.
- Commissioner Powers referenced page 19, and asked if the District had dealt with GASB75 before; Beran explained that GASB75 is a new ruling. It supplements GASB68 which went into effect a few years ago. Beran explained the liability measurement captured through GASB75.
- The Government-Wide Financials (pages 22-23) reviews all funds under a full accrual accounting method. Beran explained the increase in unfunded IMRF liability due to the December 2018 market fall. This caused the District's IMRF liability funding to drop to 78% at year end. The market recovery in the first quarter of 2018 will be reflected in next year's Audit. Commissioner Sokolowski asked what a good or average percentage funding is; Carol Stream Park District's funding is considered average. Commissioner Powers asked what the 'loss on refunding' is on page 22; this is actually a refinancing savings.
- Fund Balance (Income Statement), pages 25-26, represent what we are used to seeing through our fund accounting. Beran highlighted on the District's two main operating funds – the General and Recreation Funds. The General Fund's restricted amounts are the ancillary funds (IMRF, Social Security, Paving, Lighting, Audit, and Tort Liability) that were combined into the General Fund in FY2017. The revenues are consistent with budget and expenditures are under budget, causing the increase to fund balance. Commissioner Powers asked if we need to change how the District budgets; Beran stated that while that is a management decision, he sides on this level of conservative budgeting. Director Rini said

conservative budgeting has been important to the District's financial recovery, and makes the District better prepared for unexpected repair expenditures.

- Commissioner Powers commented on the District's outstanding debt; most specifically the Capital Appreciation Bonds on pages 45-46. Director Rini stated that the District regularly monitors the market for refinancing opportunities.
- On page 50, the ancillary funds are still being tracked in the General Fund.
- The section beginning on Page 71, lists the Actual vs. Budget detail fund information.
- Commissioner Powers asked why there was money left in special recreation on page 77. Director Rini explained how the process works to accumulate and use the funds.
- Long term debt and payments schedules start on page 82.
- Statistical information and data start on page 91.
- Tax Levy information is on page 104.
- Outstanding bonds by type are on page 105.
- The Management Letter shows new recommendations and prior recommendations. There were no new recommendations for 2018.
- No further questions.

Commissioners thanked Beran for making the information easy to understand during his presentation. There being no further questions, the meeting adjourned at 6:47pm.

Respectfully submitted by:

Sue Rini
Director, Finance & Administration