

APPROVED

MINUTES OF JULY 16, 2013 FINANCE COMMITTEE OF THE WHOLE MEETING
GLENCOE PARK DISTRICT
999 GREEN BAY ROAD, GLENCOE, ILLINOIS 60022

The meeting was called to order at 6:33 p.m. and roll was called. Present: Commissioners Bob Kimble (President), Hilary Lee (Vice President), Seth Palatnik (Treasurer), Andre Lerman, and Steve Gaines. Staff present: Executive Director/ Secretary Lisa Sheppard, Director of Finance/Human Resources Carol Mensinger, Director of Parks Rick Bold, Manager of Marketing and Communications Erin Maassen, and Executive Assistant Nancy Symonds.

Also in attendance were Pete Koukos, Todd Krzyskowski, and Dan Barron from Mesirow Financial, and Ron Amen from Lauterbach & Amen LLC.

Matters from the Public There was no one present wishing to address the Committee.

Discussion of FY 2012/2013 Annual Audit Report, Management Letter, Other Director Mensinger introduced Mr. Amen from the District's auditing firm, Lauterbach & Amen LLC, to review the District's audit report.

Mr. Amen began his review by stating the auditing firm issued an unqualified opinion on the financial statements of the District. He continued by indicating the District's financial condition, position, and operations are fairly presented in the financial statements. Mr. Amen indicated that beginning next year there would be some issues that will need to be addressed with regard to non-profit organizations that receive in-kind services or funding from the District. He indicated it is important to understand the governing boards of the non-profit organizations. Discussion ensued.

Mr. Amen stated auditors annually have an on-site visit the District to review its files and procedures to verify the District's system and internal controls are in place. He then reviewed the financial report. Discussion ensued.

Commissioner Gaines inquired about the District's pension funding. Mr. Amen stated the District participates in the Illinois Municipal Retirement Fund (IMRF), and is currently funded at 67.02%. Mr. Amen stated IMRF is in a good financial position, especially compared to other state pension plans.

Treasurer Palatnik thanked Mr. Amen for his financial review.

Discussion of District's Current Outstanding Debt Director Mensinger then introduced Peter Koukos from Mesirow Financial. Mr. Koukos began by introducing his associates, Mr. Krzyskowski and Mr. Barron and started his presentation by reviewing the District's current outstanding debt. He indicated there could be opportunities to refinance the

current 2010 bonds if the bond rates and other factors are favorable. He thought it was important for the District to have a Master Plan before considering issuance of additional debt options.

Mr. Krzyskowski supplemented information, which the auditor presented. He thought it was important to review the bond market considerations and build reserves, and be proactive. He indicated it was important to continue the District's financial discipline to maintain the District's good credit rating when planning for the future.

Discussion ensued. The District currently has two outstanding bonds for the Watts Ice Center and the Takiff Center renovations. It is important to determine what the District's priorities are. Mr. Koukos stated it was important to monitor interest rates because borrowing costs could be high. He continued by stating the Board should remain aware of options available and market conditions, which can be volatile.

Discussion ensued with regard to the District's credit rating appraisal with Moody's and Standard and Poor's and when bond-refunding parameters are mathematically viable for the taxpayers.

Director of Operations Nagle arrived at 7:15 p.m.

Commissioner Gaines stated it might be appropriate for the Board to consider refinancing the District's bonds if it is viable and a savings for the taxpayers.

Treasurer Palatnik thanked the representatives from Mesirow for their discussion of the District's current bond issues.

Discussion to Reserve a Portion of Current Fund Balance for Future Capital Director Mensinger began the review by stating the Board approved a resolution reserve monies for future capital improvements last year after audit was finalized. Staff is now recommending that the District reserve additional funds from the Corporate Fund and Recreation Fund for future capital projects. The amounts staff is recommending are \$200,000 from the Corporate Fund and \$300,000 from the Recreation Fund. Director Mensinger indicated these amounts would keep the Corporate Fund and Recreation Fund above the minimum requirements within District's fund balance policy to hedge against emergencies and will allow the District to plan for the future. Discussion ensued.

After further discussion, the Committee reached consensus to approve at the Board meeting a resolution for funds from the Corporate Fund and Recreation Fund for future capital projects.

Discussion of Final Tax Extension – Tax Year 2012 Director Mensinger stated Cook County sent an early notification to the District on final tax extension information. She indicated that for the last three years the District has experienced a decrease in equalized assessed valuation (EAV). The total EAV decreased \$60,084,359; the

District's total EAV is now \$810,700,725. She explained that because EAV and tax rates are inversely related, the total tax rate increased from .5492 to .5782.

She continued by stating actual tax bills will be received by residents later this summer. Discussion ensued. Director Mensinger stated there are many variables that need to be considered in developing the District's tax levy ordinance.

Other There was no other business.

Adjourn At 7:33 p.m., a motion was made by Commissioner Gaines to adjourn the meeting. Commissioner Lerman seconded the motion which passed by unanimous voice vote.

Respectfully submitted,

Lisa M. Sheppard

Lisa M. Sheppard
Secretary