

**DeKalb Park District
November 6, 2013
Special Meeting**

BOARD MEMBERS PRESENT: President Phil Young, Commissioners Keith Nyquist and Mike Teboda. Commissioner Per Faivre attended via phone. (Commissioner Don Irving was absent.)

STAFF MEMBERS PRESENT: Interim Director Lisa Small, Asst. Director Brad Garrison and Josephine Knoble.

OTHER MEMBERS PRESENT: Rich Rice.

5:30PM PUBLIC HEARING CONCERNING THE INTENT OF THE PARK COMMISSIONERS OF THE DEKALB PARK DISTRICT TO SELL \$1,200,000.00 LIMITED TAX PARK BONDS AND TO RECEIVE PUBLIC COMMENTS REGARDING THE PROPOSAL TO SELL BONDS

President Phil Young opened the public hearing at 5:32 pm concerning the intent of the Park Commissioners of the DeKalb Park District to sell \$1,200,000.00 limited Tax Park Bonds and noted that the following Commissioners were present: Young, Nyquist, and Teboda. He noted that Commissioner Faivre was present via phone and that Commissioner Irving was absent.

President Young asked if there were any comments from the Board. There were none.

President Young asked if there were any comments from the floor. There were no comments from the floor.

Interim Director Small also noted that no comments were received via mail or email.

Hearing no further comments, President Young closed the Public Hearing at 5:34 pm.

1. Meeting Called to Order

President Young called the November 6, 2013 special meeting to order at 5:34 pm.

2. Approve Agenda

Commissioner Keith Nyquist made a motion to approve the November 6, 2013 agenda. Commissioner Mike Teboda seconded the motion and all members present voted unanimously in favor.

Commissioner Nyquist made a motion to approve Commissioner Faivre's participation via phone. Commissioner Teboda seconded the motion and all members voted unanimously in favor.

3. Audit Presentation: Brian LeFevre, SIKICH

Asst. Director Small welcomed Brian LeFevre, Partner with Sikich to review the Comprehensive Annual Financial Report (CAFR) for the year ended February 28, 2013.

LeFevre noted that the Comprehensive Annual Financial Report was comprised of three sections: Introductory, Financial and Statistical. He explained that in the introductory section of the CAFR, the Board would find a copy of the Certificate of Achievement for Excellence in Financial Accounting. He congratulated the District for receiving the Certificate for eighteen consecutive years and explained that the award signifies that the District has achieved the highest level of financial reporting within government units. Located in the financial section, the Independent Auditors Report is an unqualified opinion and the highest level of opinion the District can receive on its' financial statements.

LeFevre encouraged the board to review the Management's Discussion and Analysis section, designed to provide an overview of the District's financial position, along with any financial changes. He then continued by highlighting the District's financial statements, balance sheets, and reserves in numerous fund balances. He noted that the financial statements are in line with General Accepted Accounting Principles (GAAP) and highlighted a number of pronouncements that may impact the District in the Future. These pronouncements, he noted, are issued annually by the Government Accounting Standards Board (GASB).

LeFevre reported that both the golf course enterprise fund and Hopkins enterprise fund were in a negative working capital position, requiring them to borrow money from other funds. These deficits, he noted, could affect the wellness of other funds. He suggested reducing expenses and increasing user fees.

LeFevre further explained that depreciation is part of the operating expenses and that theoretically assets need replacement once they are fully depreciated.

Le Fevre also reviewed the Illinois Municipal Retirement Fund (IMRF) schedule of funding progress and stated that this fund was the most stable retirement system in the State of Illinois.

Commissioner Teboda inquired about the General Fund reserves. LeFevre replied that the General Fund had a reserve of \$884,786.

Interim Director Small explained that the District's fund balance policy requires 3 to 6 months of reserves or 25% to 50% of the fund's operating budget.

LeFevre then explained that the Auditor's Communication to the Board of Commissioners document serves to inform the Board of any difficulties with the audit, how to improve upon deficiencies, and the status of prior year recommendations.

LeFevre recommended better management of the golf courses' deficit and the implementation of an electronic time card system in all departments.

President Young asked about how staff would be dealing with the new health insurance requirements. Small noted that staff has already implemented some of the changes as required by the Affordable Care Act. LeFevre noted that he is not an expert on the topic, but that others in his agency were prepared to assist and answer any questions.

The Board thanked LeFevre for his presentation.

Interim Director Small noted that Sikich and staff were wonderful to work with and thanked LeFevre for their service.

4. Discussion of Director Search Firms

President Young noted that the Board had interviewed three search firms for the Director search.

Commissioner Teboda stated that he was most impressed with the search process as described by Keith Frankland and Steve Persinger of Hazard, Young, Attea (HYA). Teboda noted that they have worked with mostly Park Districts and recommended that the Board approve the \$16,500 search process package.

Commissioners Nyquist, Faivre and Young agreed and noted that they were also impressed with their search process.

Interim Director Small noted that the Board could officially approve the engagement of the search firm at the next meeting.

5. Adjourn Special Meeting

Commissioner Teboda made a motion to adjourn the November 6, 2013 special meeting at 6:19 p.m. Commissioner Faivre seconded the motion and all members voted unanimously in favor.