

Lan-Oak Park District
Special Meeting
November 3, 2008

President Flanagin called the special meeting to order at 7:00pm. Upon roll call the following were present: Commissioners Flanagin, Long, Beymer, Leck, Reynolds. Staff present: Desjardins, Davenport, Havran, Rushmeyer. Also present: Primack, Wilson, Kuniej, Celmer.

The special meeting was called to consideration bids received for the sale of General Obligation Limited Tax Park Bonds and to consider the General Obligation Bond Ordinance #08-3-11.

Primack stated that one bid was received for the sale of the district's general obligation bonds. The bid was received from First National Bank in the aggregate amount (principal & interest due 12.1.09) of \$358,315. First National Bank of Illinois will pay to the park district \$342,766.12 plus accumulated interest from 11-26-2008 at closing.

Primack recommended that the board pass a motion to accept the bid from First National Bank to purchase the park bonds.

Motion made by Long to accept the bid from First National Bank of Illinois to purchase the Park District's General Obligation Tax Park Bond as presented by the District's attorney. Second by Leck. Upon roll call the following voted "aye"-Leck, Long, Reynolds, Beymer, Flanagin. No "nays". Motion passed.

Motion made by Long to approve the General Obligation Bond Ordinance #08-3-11 as presented by Attorney Primack. Second by Beymer. Upon roll call the following voted "aye"-Long, Reynolds, Beymer, Leck, Flanagin. No "nays". Motion passed.

Flanagin explained to the board that the Director of Parks & Recreation along with the Finance and Personnel Committee with -Dave Knutte and Laurie Defazio of Knutte and Associates in regards to the FY2007-08 audit and management letter.

Flanagin reviewed with the Board accounting transactions in the FY2006-07 audit relating to the pool fund and the forgiveness for the pool debit with funds from the corporate fund. Flanagin explained that even though there was account movement of the pool assets, there was actually no cash position change with the corporate fund balance and on the Treasurers Report. Another transaction occurred in the pool fund that was highlighted in the FY2007-08.

This transaction covers the assets of the pool since the pool has been closed and will not open again. The transaction occurred to zero out the fund balance for the pool and the corporate fund balance was reduced accordingly. The problem the transaction did not occur until 12 months and the fund balance on the corporate fund did not show the revised cash position.

It was concluded from the meeting with the auditors that the information in the Treasurers Report was accurate but not clearly broke out to determine the total actual cash that was available. Flanagan also asked for an exit interview with the auditors to discuss and review the audit findings prior to any document being finalized. The exit interview would include the Treasurer, Director, and the Finance Committee. Flanagan explained that he had requested that Kuniej send her Treasurers Report template to Laurie DeFazio so they could recommend a better reporting template to clearly present the cash position of the park district.

Flanagan informed the Board that the committee discussed the management letter from the auditors. He stated that the procedures are supposed to tell the board what areas are needed to be improved and that the letter could be amended. Changes made to the letter were discussed and Flanagan will be responding to the management letter.

Commissioner Reynolds questioned what happened during the audit with the management letter and that she was confused by the issuance of the management letter. Flanagan explained that the daily deposit procedure was questioned by the auditors and needed to be clarified. Reynolds asked Treasurer Kuniej if she wrote the management letter. Kuniej replied no, that she did not write the letter. Wilson explained that per the auditing firm the management letter was derived from a meeting with the audit team, the Treasurer, and Staff Accountant. The Director or the District's Attorney did not review the management letter until it was received in final form with the audit.

Flanagan commented that he asked DeFazio what kind of financial position the park district was in with DeFazio stating that compared to many park districts we are in good shape. Flanagan also stated that DeFazio indicated that because of the economic times that the budget should be watched.

Commissioner Leck asked the board about the \$67,000 that was in the Museum Fund. She asked if that money could be transferred to the Capital Fund. Primack replied that Wilson and he had discussed the matter but that since the money had not been appropriated, the money

could not spent at this time. The matter would be addressed during the budget and appropriation preparation.

Motion made by Reynolds to go into Executive Session with the attendees only being board members. Second by Long. Upon roll call the following voted “aye”-Reynolds, Beymer, Leck, Long, Flanagin. No “nays”. Motion passed.

Executive Session at 7:20pm.

President Flanagin called the special meeting back to order at 7:48pm. Upon roll call the following were present: Commissioners Flanagin, Long, Beymer, Leck, Reynolds. Staff present: Desjardins, Davenport, Havran, Rushmeyer. Also present: Primack, Wilson, Kuniej, Celmer.

Motion made by Leck to accept the Fiscal Year 2007-08 audit with an ending date of April 30, 2007. Second by Reynolds. Upon roll call the following voted “aye”-Beymer, Leck, Long, Reynolds, Flanagin. No “nays”. Motion passed.

Motion made by Beymer to adjourn the special meeting. Second by Leck. Upon roll call the following voted “aye”-Leck, Long, Reynolds, Beymer, Flanagin. No “nays”. Motion passed. Meeting adjourned at 7:49pm.

Respectfully Submitted,

John W. Wilson, CPRP
Secretary to the Park Board