

**LAKE BLUFF PARK DISTRICT
BOARD OF COMMISSIONERS
MINUTES OF COMMITTEE OF THE WHOLE MEETING
AUGUST 1, 2011**

The Committee of the Whole Board Meeting of the Board of Commissioners of the Lake Bluff Park District, Lake County, Illinois, was held at the Recreation Center, 355 W. Washington Avenue, Lake Bluff, Illinois.

Visitors: Ron Salski (Executive Director), Dave Peterson (Director of Business and Facility Services), Dan Berg (Sikich)

1. CALL TO ORDER:

President Nickels called the meeting to order at 6:31 p.m.

2. ROLL CALL:

The following Commissioners were present when the roll was called:
Commissioners: Considine, Ehrhard, Gronau and President Nickels
Commissioners Douglass and Hart were absent with prior notice.
Commissioner McKendry arrived at 7:05pm.

3. APPROVAL OF AGENDA:

A motion was made by Commissioner Considine and seconded by Commissioner Gronau to approve the agenda of August 1, 2011 as presented.

On the roll call, the vote was as follows:

Ayes: Considine, Ehrhard, Gronau and President Nickels

Nays: None

Abstain: None

Absent: Douglass, Hart, McKendry

4. STATEMENT OF VISITORS:

None

5. DISCUSSION / ACTION ITEMS

A. Accounting / Financial Software

Executive Director Salski discussed the new accounting software allows for an opportunity to review and develop a financial structure, accounting practices and reports allowing the Park District to benchmark, forecast and analyze operations and cash more efficiently and effectively.

Dan Berg (Sikich) reviewed the current fund structure, the current chart of accounts and discussed the interfund loans. The following questions were discussed:

- Should the Park District consolidate Golf, Paddle, Swimming Pool (Aquatic Facility) and/or Fitness into the Recreation Fund? If so, can the Recreation Fund absorb subsidizing the funds with its tax rate and revenues?
- Does the Park District have enough monies to pay off all Interfund Loans based on the 2010 Audit?
- Should the Park District include IMRF, Social Security and Unemployment line items within each operation?
- If consolidating funds, should the Park District include debt payments within each operation?
- Once the Cost of Service Model is presented, should the Park District build the reports to reflect all indirect/direct costs within programs and facilities?
- What report is the Board expected to review?

1. Fund Structure

Two fund structures / chart of accounts were discussed.

Option A: Includes Fitness, Golf, Paddle and the Aquatic Facility as part of the Recreation fund. Eliminate the Beach Construction Fund and rename the Master Plan/Capital Projects Fund to Capital Projects Fund.

Option B: Includes Fitness, Paddle and the Aquatic Center as part of the Recreation Fund. Golf remains as a separate fund. Eliminate the Beach Construction Fund and rename the Master Plan/Capital Projects Fund to Capital Projects Fund.

Legal Counsel was consulted for an opinion on consolidating the Fund structure and eliminating the Interfund loan amounts through journal entries.

The conclusion from Ancel, Glink, Diamond, Bush, DiCianni & Krafthefer, P.C. (Park District Attorney) was:

The Park District may lawfully consolidate the financial reporting of its Enterprise Fund and Special Revenue Funds into either the General Corporate Fund or the Recreation Fund. Prior to taking action to consolidate funds, the Board of Commissioners should authorize the change at a Regular or Special board meeting. Following that authorization, the Park District staff should consult with the Park District auditors to ensure that the transactions are recorded in accordance with generally accepted accounting principles.

2. Chart of Accounts

Revenue category recommendations: Tax Receipts, Miscellaneous, Intergovernmental/Grants, Investment Income, Fees and Admissions, Memberships, Rentals, and Sales

Expense category recommendations: Personnel Services, Commodities, Contractual, Debt Service, and Capital Outlay

These five expense categories meet proper accounting standards, provide concise and accurate reporting and analysis and coincide with future audit reports.

3. Operational Accounts

Executive Director Salski discussed whether IMRF, Social Security and other indirect expenses should be aligned with each fund. Dan Berg reviewed the pros and cons and recommended to separate the specific accounts that receive tax dollars i.e. IMRF, Social

Security. Staff recommended continuing to review and provide additional recommendations.

B. 2011-2014 Strategic Plan - Update

Sections 8.1.1 through 8.1.4 of the Strategic Plan 2011-2014 were reviewed. Measurement standards were discussed.

6. VERBAL COMMUNICATIONS

A. Staff: None

B. Executive Director Report:

Executive Director Salski mentioned the Friends of the Lake Bluff Park District Foundation (FLBPDF) Annual Fundraiser event will be held on Saturday, August 27, 2011 at 6:30pm.

C. Board President Report:

President Nickels indicated how nice the beach looks and that the water is warm.

Commissioner Gronau indicated the Lake County Amateur Golf Event was held at the Golf Course and 97 players participated.

7. ADJOURNMENT

There being no further business, a motion was made by Commissioner Gronau and seconded by Commissioner Considine to adjourn the meeting at 7:45 p.m. The motion carried by unanimous vote.

Approved this 15th day of August 2011

Board of Commissioners

Lake Bluff Park District