

**Glen Ellyn Park District
Citizens' Finance Committee
November 8, 2019
185 Spring Avenue**

I. Call to Order

The committee meeting of the Glen Ellyn Park District Citizens' Finance Committee was held at Spring Avenue Recreation Center on November 8, 2019. The meeting convened at 7:00 am.

II. Committee Roll Call

Members in Attendance

Don St. Clair, John Vitalis, Charlie Prisco, Art Pech, Tom Lettenberger, Mike Graham, Mike Hoban

Members Not in Attendance

Leo Lanzillo

Also in Attendance

Nick Cinquegrani, Superintendent of Finance & Personnel, Julia Nephew, Park District Commissioner, Alex Durham, Park District Commissioner

III. Changes to the Agenda

None

IV. Approve Meeting Meetings

Meeting Minutes of May 14, 2019

Motion: Mike Graham motioned to approve the minutes. 2nd by Don St. Clair. The motion carried unanimously.

Meeting Minutes of August 1, 2019

Motion: Mike Graham motioned to approve the minutes. 2nd by Charlie Prisco. The motion carried unanimously.

V. Unfinished Business

A. Illinois Metropolitan Investment Fund (IMET) – Update

Superintendent Cinquegrani gave an update regarding recovery efforts related to the IMET Liquidating Trust account. A previous estimated recovery of approximately 40% of the total loss has been increased to 55-60% as of September 9, 2019. These estimates have been provided by park district legal counsel working alongside IMET's legal counsel. Additional disbursements are expected prior to fiscal year-end or in the 1st quarter of 2020.

Superintendent Cinquegrani discussed the current status of the Tolling Agreement the Park District has with IMET and the recommendation to further extend the agreement until all recovery efforts have been exhausted.

Additionally, any further adjustments to the park district's financial statements will occur at year-end or in conjunction with the fiscal year 2019 financial audit.

VI. New Business

A. Committee Membership

Superintendent Cinquegrani indicated committee member Fred Bachman has resigned from the committee effective 10/18/2019. Superintendent Cinquegrani reiterated the committee can be comprised of any number of members between five and nine, per the CFC bylaws. The committee, along with Park District liaisons, agreed to proceed with a committee of eight members and may seek to add an additional member during the next Annual Meeting.

B. Monthly Finance Report

Superintendent Cinquegrani presented the October 2019 monthly finance report.

C. Park District - Bank Account Activity

Superintendent Cinquegrani informed the committee of four counterfeit/washed checks that either were drawn or attempted to be drawn against the Park District account in and around 7/8/2019. Subsequent to being notified, Park District placed a hold on its account. In and around 7/16/2019, approximately 10 additional counterfeit checks were identified but no monies were disbursed against those checks due to the hold.

Corrective action taken was to place Positive Pay (fraud detection tool) on Park District checking accounts. A new checking account was immediately opened and the finance department is reviewing the steps necessary to transition to more 'ACH payments' rather than issuing standard checks. Lastly, park district staff filed police reports and those investigations remain pending.

D. 2019 Non-Referendum Bond Issue

Superintendent Cinquegrani presented the results of the recent non-referendum bond issue on October 15, 2019. Bonds in the amount of \$2,673,000 were awarded to JP Morgan Chase via a competitive bid process overseen by the park district's financial advisors, Speer Financial. Superintendent Cinquegrani further stated the park district realized approximately a \$55,000 positive variance compared to the initial 2019 budget. The positive variance is a combination of increased bond proceeds and a lower than forecasted cost to issue the bonds.

E. Investment Policy Update

The park district was recently informed by IAPD (Illinois Association of Park Districts) regarding the passage of House Bill 2460 requiring agencies to amend investment policies to include additional language similar to "material, relevant, and decision-useful sustainability factors have been or are regularly considered by the agency within the bounds of financial and fiduciary prudence, in evaluating investment decisions." This bill takes effect on 1/1/2020.

Superintendent Cinquegrani presented the updated Investment Policy to the committee and stated park district legal counsel has reviewed and approved the added language presented.

The Park District Board of Commissioners will vote to formally approve the changes to the Investment Policy at their regularly scheduled Board meeting on December 3, 2019.

F. 2020 Budget - First Draft

Superintendent Cinquegrani discussed the first draft of the 2020 budget that was previously discussed at the Park District Board Meeting on October 15th. Additional discussions are scheduled to take place at the Park District Board meetings in November and December, prior to formal adoption.

Discussion was held amongst CFC members about the budget and the documents provided to the Board. Discussion centered around:

- Creating a new more simplified document relating to the 'Fund Balance Report' with rolled up information in a more summarized format.
- Creating a new document delineating the Operating Surplus calculation.
- Whether the Park District's current practice of budgeting is too conservative. In recent years, operating expenses in certain areas are consistently under budget and have resulted in an un-forecasted increase in operating surplus and capital reserves.
- Other small discussions centered around program revenues and expenses, in particular the impact on the minimum wage increase scheduled for January 1, 2020.

G. Updating Long-Range Financial Plan

Agenda item was tabled for future meeting

H. Discussion of future topics to be pursued by Citizens' Finance Committee

Agenda item was tabled for future meeting

VII. Adjourn

Don St. Clair moved to adjourn the meeting. 2nd by Charlie Prisco. The meeting was adjourned at 8:00am.

Glen Ellyn Park District Citizens' Finance Committee

Date of approval