



FINANCE COMMITTEE MEETING  
MINUTES

January 12, 2012

Commissioner Johnson called the meeting to order at 7:30 p.m. Present at this evening's meeting were: Commissioners Longmeyer, Daniels, Schmidt, Johnson and DiMaria; and Committee Member Osten.

Also present were: Ms. Schlinkmann, Executive Director; Mr. Otto, Deputy Director; Mr. Burgess, Business Manager; Ms. Laurie DeFazio, Knutte & Associates; and Ms. Schwebel, Executive Assistant.

**NOTE: All requests for information/clarification called in by Committee members were answered prior to the meeting and any needed corrections were made to the bill list.**

**APPROVAL OF MINUTES OF DECEMBER 8, 2011**

Commissioner Daniels moved to approve the minutes of the December 8, 2011 regular meeting as presented. Commissioner Schmidt seconded the motion, which passed unanimously.

**BILL LIST REVIEW**

Mr. Osten asked what is being offered through Money Mailers, and Mr. Burgess stated fitness passes. Mr. Burgess noted we track the results.

Commissioner Schmidt moved to approve the bill list in the amount of \$579,181.21 as presented. Mr. Osten seconded the motion, which passed unanimously.

**FINANCIAL STATEMENT REVIEW**

Mr. Burgess stated statements are for the month of November, which is eight months into the fiscal year. Mr. Burgess stated this was a typical November. He is projecting the General Fund to have net revenue over expenses of about \$142,000. Revenues total \$4.9 million versus \$4,750,000 in expenses. Expenses will be in the 97% range. In the Recreation Fund, Mr. Burgess is projecting revenues to exceed \$10 million. Programming fees will not come in at 100% of budget, but expenses will be at 97% for a surplus of about \$212,000. We have collected \$1,528,000 in real estate taxes compared to \$79,000 at this time last year.

SGC rentals are negative because Chandler's paid late. As of today, they are up to date. Mr. Osten asked what the net positive is for the year for Chandler's, and Mr. Burgess stated about \$230,000-\$240,000. Their revenues are tied to our ability to sell tournaments, which are down. Year to date, SGC is \$258,000 to the good. The net will drop to about \$184,000 in December. The Museum Fund looks good now, but it is on budget to have a small surplus of \$8,000 - \$10,000. Walnut Greens has a small profit of \$2,400. Commissioner Johnson asked if we pull the inventory from there, and Mr. Burgess responded no, it stays there. Mr. Burgess added that some inventory at SGC is on consignment and the rest will be stored for next season.

Mr. Burgess stated Olympic Park concessions are at \$240,000. The Sport Center has \$675,000 revenue versus \$576,000 expenses. KASPER has \$500,000 revenue over expenses. Commissioner Johnson asked if KASPER is full; and Mr. Burgess responded it is close to capacity and the waiting list is diminished. Concession revenue at CRC is \$26,000; at Atcher, \$13,000; STP is breaking even and the Sport Center is \$10,000 to the good.

The cash position will go down in December reflecting bond payments.

### **REVIEW OF AUDIT REPORT**

Mr. Burgess introduced Laurie DiFazio of Knutte & Associates to present the audit report for the fiscal year ended March 31, 2011. Commissioner Johnson asked if the report could be simplified to make it more readable, and Ms. DiFazio stated the standards are set by the Governmental Accounting Standards Board (GASB) and have become more numerous.

Ms. DiFazio stated overall, the audit field work was uneventful. We tested three systems of cash receipts and assessed the risk for mistakes as moderate. We found no exceptions. We check accounts randomly in each fund to see if there are any unusually large transactions or something out of the ordinary. Ms. DiFazio stated the cash position indicates if no other revenue came in, you would have enough to continue operations for four months, which is a good place to be. There were only two funds with deficits – IMRF and Insurance. We compared ending balances to expenditures throughout the year and did not find anything unreasonable. Ms. DiFazio explained that when another client reported IMRF and social security in the same fund, IMRF told us we should have reported a non-compliance issue for reporting the two revenue streams in the same fund. Because of this, Ms. DiFazio stated we have been suggesting adding a footnote to the report and listing what the amounts are in each fund separately. Ms. DiFazio stated this will probably never come up again, and Mr. Burgess will make the computations.

Commissioner Schmidt moved to recommend that the Park Board approve the audit report as presented. Mr. Osten seconded the motion, which passed unanimously.

**REVIEW OF GIFT CARD SALES**

Mr. Burgess stated we started selling gift cards in place of gift certificates one year ago, and sales have increased 28% in terms of dollars and 46% in terms of units. Ms. Schlinkmann noted that gift cards do not have expiration dates.

**ADJOURNMENT**

There being no further discussion, Commissioner Schmidt moved to adjourn the Finance Committee meeting at 7:56 p.m. Commissioner Daniels seconded the motion, which passed unanimously.