

**VILLAGE OF PARK FOREST
COOK AND WILL COUNTIES, ILLINOIS
MINUTES OF THE SPECIAL RULES MEETING/AUDIT REVIEW**

Village Hall

9:00 a.m.

January 28, 2017

Present: Mayor John Ostenburg, Trustees: Mae Brandon, JeRome Brown (arrived 9:10 a.m.), Tiffani Graham, Robert McCray (arrived 9:02 a.m.), Georgia O'Neill (arrived 9:01 a.m.), Theresa Settles

Also Present: Village Manager Tom Mick, Finance Director Mary Dankowski, Assistant Finance Director Sharon Floyd, Sustainability Coordinator David Kotwasinski; Michael Cipolla and Jason Coyle of Baker Tilly Virchow Krause LLP.

Guests: Jonathan Vanderbilt, David T. Jones, David Jones, Jr.

Mayor John Ostenburg called the meeting to order at 9:00 a.m. and the roll was called.

Review of Financial Statements: (Michael Cipolla and Jason Coyle)

The net pension liability has changed largely due to a change in the actuarial tables. The Village has been able to keep the tax levy lower by using reserves. There are healthy fund balance ratios which shows good fiscal management.

Communication to those Charged with Governance and Management:

This document is used to show what improvements may be needed in Village operations; however, the audit did not find anything that met that threshold. The Village should take pride in this accomplishment. There is a good check and balance system in place. The new software system is a good investment. New reporting changes coming in the next few years were discussed.

Report on Federal Controls:

Two findings regarding the Housing Authority of Park Forest were reported. Out of the sample, rents were incorrectly calculated for two tenants, and payment should have been stopped for one unit that did not meet standards. Increased staff in the department will help monitor these issues.

Transmittal Letter and M D & A: (Mary Dankowski and Sharon Floyd)

Mary Dankowski and Sharon Floyd reviewed the transmittal letter and the Management's Discussion & Analysis sections of the audit report. For the fiscal year that ended June 30, 2016 the Village is in sound financial condition. The Village's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions. Year Two of the five-year goals setting was completed. A summary of accomplishments was reported.

Revenue and expense highlights of the transmittal letter were detailed. Trends of Equalized Assessed Valuations for the last ten levy years were reviewed on page 163. Tax rates are directly tied to the table of value. Levy increases have been under 3 percent for years. Overall property values show a decreasing trend. The budget and actual revenues were reviewed beginning on page

106. The new IDROP program generated \$130,000 in revenue. This program collects longstanding vehicle sticker fees and other delinquencies due to the Village from an individual's state tax return. The decrease in Medicare revenue continues to be a concern. No department has gone over budget. The transmittal letter also lists other funds including the TIF, as well as the DownTown Funding history.

The Government-Wide Financial Analysis was presented (beginning on page 11). Revenues were compared with expenses. Economic Factors and Next year's Budget and Rates (page 20) were reviewed.

Statistical Section: (page 152)

The statistical schedules include 10 year trends. Expenses are compared on a 10 year basis. The fund balance is the starting point in developing next year's budget. The Village has continued to have an overall healthy fund balance. A ten year comparison of major property tax payers was reviewed. Sadly this shows a decrease in property values. A change in the way rental properties are assessed brought down values. Last year 91% of the overall levy was collected. A ten year comparison of construction permits is listed on page 169. Sales Tax by Category is on page 170. Also reviewed was bond debt, principal employers in the Village, and operating indicators by function/program. Finance Director Dankowski distributed a list of audit highlights.

Library Audit

The Library is reported as a separate entity of the Village. A separate Library Financial Report has been prepared and will be sent to the Library Board. An audit presentation for the Library is scheduled for February 2, 2017 at a Library Board meeting.

Documents Reviewed:

Village of Park Forest Comprehensive Annual Financial Report Fiscal Year Ended June 30, 2016; Report on Federal Awards; Communication to those charged with Governance and Management; DownTown Redevelopment Project Area Tax Incremental Financing District.

There being no further questions, Mayor Ostenburg called the meeting adjourned at 11:45 a.m.

Respectfully submitted,
Dolores DuBois, Recorder