FINANCE COMMITTEE MEETING
February 8, 2011
MINUTES

CALL TO ORDER:

Finance Director, Rosa Cojulun called the meeting to order at 7:00 p.m. by welcoming the Finance committee trustees and guests.

ROLL CALL:

Present:	Chairman:	Trustee Lawler
	Members:	Trustee Brown
		Trustee Morales
		Rosa Cojulun, Finance Director
		Jules Staley, Asst. to Director of Finance
	Absent:	None
	Guests:	Jim Boan, Village Attorney
		Mr. Tracy, Selden Fox

APPROVAL OF MINUTES:

A motion was made by Trustee Brown and seconded by Trustee Morales for the approval of the minutes from the December 6, 2010 meeting. All Trustees were in favor. Motion carried.

OLD BUSINESS:

None

NEW BUSINESS:

Audit results, Rosa Cojulun handed the floor over to Mr. Tracy – Selden Fox, to discuss the Audit. Mr. Tracy started the review by having everyone go to page 14 and 15 and explaining the Statement of Net Assets. He stated that the Village overall did pretty well under the economic conditions this past year and that cash dropped by $20 million due to the police department expansion, while liabilities were up by $5 million due to the new 2010 bond.

Mr. Tracy next discussed pages 16 and 17, “Statement of Activities”, by saying that the overall change in net assets was a negative $6.2 million and that overall the other Funds experienced the same impact due to the economy, which was expected. He stated that these numbers have been reduced by half from last year but still negative. Mr. Tracy noted that there was a $20 million prior period restatement with the Golf Course and noted on page 18 that the General Fund balance did not change much at $10.3 million.

Next page discussed was 21; Mr. Tracy stated that the overall revenues for the General Fund were down by $4 million from prior year which was due to the various taxes collected being down. As for expenses, they were up from prior year by $6 million which was primarily due to the completion of the police expansion.

Mr. Tracy proceeded to the Golf Course and Airport results by noting on page 31, the Golf Course had an operating income before depreciation and amortization of $88,311 dollars which was good. The statement of cash flows was also positive for the Golf Course as well. Mr. Tracy pointed out on page 35; the Golf Course had a net increase in cash, cash equivalents and investments of $343,000 dollars even though the economy continues to by rough.

As for the Airport, Mr. Tracy pointed out on page 102; the Airport also had an operating income before depreciation and amortization of $52,498 dollars. The Airport had a net increase in cash and investments of $96,930 which was also good with the economy being as it is.

Mr. Tracy went on to the Management Letter, by saying overall there were a total of 43 adjustments made this year vs. last year's 40 which was good. He also stated the majority of the adjustments were provided by the Village staff. Mr. Tracy noted three (3) recommendations:

1) The Village establishes a formal year-end closing schedule in order to improve the efficiency of the audit process.

2) The Village considers modifying their chart of accounts for both the Golf Course and Airport Funds to mirror the accounts used by the third parties.

3) The Village considers hiring the equivalent of an accounting manager to head up day-to-day operations, freeing up the Finance Director to spend more time over seeing the monthly and year-end closing process.

Mr. Tracy wrapped up his comments by mentioning the new upcoming GASB changes with #54 that the Village have a better classification with the balance sheet regarding Fund balances being more descriptive which becomes effective in fiscal year ending April 30, 2012. He then thanked the Village for the opportunity of providing the audit service for this year. Trustee Lawler asked if there were any additional questions and none were asked. Trustee Lawler thanked Mr. Tracy and asked for a motion to accept the audit report. Trustee Brown made the motion to approve and Trustee Morales seconded. All Trustees were in favor. Motion carried.

GENERAL DISCUSSIONS:

None

ADJOURNMENT:

Trustee Lawler proposed adjourning, second by Trustee Brown at 7:45 p.m. All were in favor. Motion carried.