

Tri-Township Park District
Commissioners Special Meeting
August 24, 1998

Meeting was called to order at 7:02 pm by President Taake.

Roll call:

Present were commissioners Taake, Italiano, Simpson, Byrne and Kniser. Also present were Director Greenfield, Treasurer Roady and Myron Thompson, Auditor.

President Taake started the meeting by introducing Myron Thompson, CPA of M. Thompson and Company, the firm that performed out audit for fiscal year 1996-97. Taake also welcomed the audience. Then turned the meeting over to Thompson for a presentation of the audit.

Thompson noted that this audit is a standard audit required by law because the Park District now appropriates at least \$200,000. The first year audit can be a trying experience for the auditing firm and for the employees of the District. The method of the audit, even the layout of the report, is prescribed by professional standards. He demonstrated the physical layout of the audit report. This is a consolidated report including the general fund, tax fund, rental fund, soccer fund, and baseball/softball funds as required. Thompson took care to explain what is on each page of the audit.

Thompson has issued a follow up letter to the report indicating a few concerns he had that he wanted the Board to note. He indicated that when the budget, appropriation ordinance, and tax levy are prepared, the entire park operation must be considered. This is to include the soccer and baseball/softball funds. Statements of economic interest must be filed by members of all three boards associated with the District. He also noted that payroll is a concern. He stated that referees and umpires hired to officiate games must be treated as employees rather than sub-contractors. He said "The Park District is obligated to do things procedurally correct" and suggested a few changes to be made beginning with the beginning of our next fiscal year on April 1, 1999. He said that as we grow, the likelihood of problems increase and "the Board is held ultimately responsible."

Commissioner Woodring arrived at 7:48.

Thompson reported that the bottom line is that we are in good financial shape. We need to make some correction to the methods we follow, in particular in reporting wages paid to referees and umpires. Financial audits in the future should be much easier than this audit.

Taake allowed members of the board and then the audience to ask questions. Thompson responded to each. One member of the audience challenged Thompson's opinion that umpires and referees are employees. A discussion of the IRS position followed. Thompson reiterated that in his opinion, the referees and umpires are indeed employees and should be treated as such, but made it clear that the Board has the final say concerning this matter.

August 24, 1998 page 2

Taake recapped the audit, saying the District is financially sound. A few changes in procedure need to be made in the upcoming year. This audit and future audits are required by law. He finished by stating that our main goal is to work for the kids of this community, but we must follow the law. He thanked Myron for his work.

Meeting was adjourned at 8:14 (Simpson, Italiano 6-0).