

The City of Lake Forest
AUDIT COMMITTEE
Proceedings of the April 16, 2020 Meeting
5:15 p.m. – City Hall, 220 E. Deerpath
Remote Access Meeting

Minutes

I. **Call to Order and Roll Call**

Chairman Sparrow called the meeting to order at 5:15 p.m. Audit Committee Members present: Chairman Sparrow, Mr. Magnuson, Mr. Stieber and Finance Chairman Morris. Absent: Mr. McFadden and Mayor Pandaleon. Quorum present.

City staff present: Jason Wicha, City Manager; Elizabeth Holleb, Finance Director; Diane Hall, Assistant Finance Director; Sally Swarthout, Director of Parks and Recreation; Joe Mobile, Superintendent of Recreation and Todd Nahigian, Croya Manager.

Others present: Joe Lightcap of Baker Tilly, Mark Milliman and PJ O’Neil of the Parks and Recreation Foundation, Susie Kullby, Henry Sackman, Michelle Vicencio and Mary Lollino of the Croya Foundation.

At Chairman Sparrow’s request, a moment of silence was observed in memory of Audit Committee member William Smith.

II. **Consent Agenda**

Approval of minutes from Audit Committee held on January 16, 2020

Mr. Stieber made a motion to approve the January 16, 2020 minutes. The motion was seconded by Mr. Magnuson. The motion carried unanimously by voice vote.

Approval of Audit Committee Meeting Dates for FY21

Mr. Magnuson made a motion to approve the Audit Committee meeting dates for FY21. The motion was seconded by Mr. Stieber. The motion carried unanimously by voice vote.

III. **FY20 Audit Engagement Letter**

Mr. Joe Lightcap of Baker Tilly stated the terms of the engagement have not changed significantly from the previous year. He stated GASB84 relating to Fiduciary Funds will be affective for the FY20 audit, which would include the Cemetery Trust Fund and Special Service Area Fund. He stated additional audit procedures would be needed if a GAS opinion is required relating to grant expenditures. He stated these are additional services not identified in the scope of the original RFP.

The Committee discussed the potential delay of implementing GASB84 do to Covid-19.

The Committee discussed the potential audit process if City offices remains closed. Staff will be able to grant access to Baker Tilly to the financial software to pull information remotely.

Mr. Magnuson made a motion to approve the FY20 Audit Engagement letter and to approve a change order for additional audit fees relating to GASB implementation and Grant opinions. The motion was seconded by Mr. Stieber. The motion carried unanimously by voice vote.

IV. **Parks and Recreation Foundation – Financial Presentation**

Mr. Sparrow read a brief statement as to the purpose of the Audit Committee as it relates to each Foundation.

Mr. Mark Milliman of the Parks and Recreation Foundation provided an overview of projects completed by the Foundation for the City, including projects at the Golf Course. He provided an overview of future projects, including a feasibility study for turf fields throughout the City and a rescue boat for the beach. He stated the Foundation is event oriented for generating revenue. He stated currently they were still planning on the 4th of July festivities, but if postponed, moving a portion of the festivities to the fall event scheduled for August.

The Committed discussed the great work the Foundation has completed benefiting the City.

V. **Croya Foundation – Financial Presentation**

Mr. Sparrow read a brief statement as to the purpose of the Audit Committee as it relates to each Foundation.

Mr. Todd Nahigian, Croya Manager stated 2020 is the 40th anniversary of Croya. He stated they are excited about the anniversary, but events have been canceled due to Covid-19. Croya has been reaching out to students to help through these difficult times.

Mr. Henry Sackman, Croya Foundation Treasurer reviewed funds generated during the year, including a \$30,000 contribution. He reviewed different projects the foundation provides funding for including scholarships for students to attend Croya events. He discussed a mural to be painted under the train viaduct.

Ms. Michelle Vicencio of Eder Casella reviewed the financials of the Foundation.

The Committee discussed how Croya assists the youth of Lake Forest.

VI. **Other Business**

Foundation Summary – Ms. Holleb stated the Croya Foundation and Parks and Recreation Foundation information has been updated.

Foundation Financial Review – Ms. Elizabeth Holleb stated the chart had been updated for the Croya and Parks and Recreation Foundations.

Appreciation for service to Audit Committee – Dean Stieber
Mr. Sparrow thank Mr. Stieber for his service to the Audit Committee.

VII. **Opportunity for Public to Address the Audit Committee** – No one in attendance

VIII. **Adjournment**

There being no further business, a motion was made by Mr. Morris to adjourn the meeting. The motion was seconded by Mr. Stieber. The motion was approved unanimously by voice vote. The meeting was adjourned at 6:06 pm.

Respectfully submitted,

Diane Hall
Assistant Finance Director