

**Chicago Heights Park District  
Park District Board of Commissioners  
Regular Board Meeting  
February 8, 2021  
7:00 p.m.**

**Meeting called to Order:** The Regular Board meeting of the Chicago Heights Park District Board of Commissioners was called to order at 7:09 p.m.

**Pledge of Allegiance:** Upon roll call, the following board members were recorded present: Commissioner Kyles, Commissioner Leon, Commissioner Mancina, Commissioner Strazcek, Commissioner Zuniga. and President Benavides. Commissioner Nichols-Brown was recorded absent.

**Roll Call:** Upon roll call, the following board members were recorded present: Commissioner Kyles, Commissioner Leon, Commissioner Mancina, Commissioner Strazcek, and Commissioner Zuniga. Commissioner Nichols-Brown was recorded present via phone conference. President Benavides was recorded present at 7:11 p.m. A quorum was established.

**Approval of Minutes:** Motion to approve Regular Board Meeting on January 11,2021 by Commissioner Zuniga, seconded by Commissioner Kyles. The following ayes were recorded: Commissioner Kyles, Commissioner Leon, Commissioner Nichols-Brown, Commissioner Mancina, Commissioner Strazcek, and Commissioner Zuniga. Motion passed.

**Approval of Minutes:** Motion to approve Special Board Meeting on January 21, 2021 by Commissioner Zuniga, seconded by Commissioner Kyles. The following ayes were recorded: Commissioner Kyles, Commissioner Leon, Commissioner Nichols-Brown, Commissioner Mancina, Commissioner Strazcek, Commissioner Zuniga, and President Benavides. Motion passed.

Commissioner Mancina inquired about what President Benavides stated in the last meeting pertaining to extension from the state. Superintendent Perez replied and stated that the extension comes from both state and county.

**Public Participation:** None.

**Commissioners Report**

**Commissioner Mancina:** Commissioner Mancina said she had some questions about the draft audit, but she would wait until New Business.

**Old Business:** None

**New Business:**

**Draft Audit Report:** A draft audit report was given by Valicienne Arnold, Certified Public Accountant of Arnold Knox, LLC, of South Holland, Illinois. She thanked the Board of Commissioners for giving her the prestigious honor to come before them. She said that it is a humbling honor to be before them, and she does not take her job lightly. She informed the board that she will go over the report with them and then she will answer questions. She explained how she would be going through the process. She will take questions after the chairperson confirms that she can answer the question. She stated that the report is 58 pages. Her Independent Report is only (3) pages of the Draft Audit Report. She reviewed her Independent Audit Report with the Board of Commissioners. She informed the board that the management responsibilities for financial statements which she stated she likes to say is dim. The Management is responsible for the design, orientation, and maintenance of internal control to never let the lights dim. She said this is how she likes to share information with the board. She stated never let the lights dim on you. She informed the board that her responsibility is to express an opinion on the financial statements and on the reasonableness of them not in its entirety, but are they fairly presented. She looks at certain procedures such as analytical procedures, and some testing to see if controls are in place for the organization, and controls for the financial statements is fairly stated. Which is an Unmodified Opinion which is the best opinion you can get. This is when everything can be traced and understood. Next stepdown is called a Qualified Opinion which means somethings could not be connected. She stated that during her audit somethings she could not connect the dots to that gave a level of materiality that was hot. Therefore, it causes the option to be stepped down. If an opinion is stepped down, you will receive a report from her. Then a conversation will be done to get everything back on track. Management Discussion Analysis pages 4-10 was prepared by the accountants for the board to review. On page 11 is a summery for cash receivables, capital assets, current liabilities, etc. She stated that certain numbers are not placed there on purpose. Next report reviews are the Savings of Activities which is the eggshell of her report. Then she explained that there is a balance sheet of all governmental funds which are in balance. A Reconciliation of the Balance Sheet which takes the organization from modified accrual to full accrual. She said the numbers are not there yet, but they will be there in the final report. She stated that some of the sheets are not there again on purpose. She concluded her report by informing the board to review pages 20-57. She stated this is good reading with all the information and what is happening in the financial statements.

Commissioner Mancina thanked her for putting the report together and explaining it. Commissioner Mancina enquired if this was two audit reports. Ms. Arnold informed her that it was only one. Commissioner Mancina was enquiring about pages 2 and 8 of her report. She enquired about the Qualified Opinion. She informed her that it was one area which is a pass-through pertaining to land. She stated that might have occurred due to how the land was gaged for appraisal in the past. She stated that the last appraisal report was in 2005 and that there was about \$3 million less in land that was listed as the appraised value. She stated that in 2011 the laws changed that CPA's could not host an organization's information without them knowing. She said to get that report she had to take information from (3) different sources to get the draft report going which should not happen. She stated that she shared with Superintendent Perez what her thoughts were, and she consulted (2) other auditors pertaining to the current situation. She stated that other consultants informed her that she was correct with her opinion. She informed the board to get modules to host Chicago Heights Park District information. She informed the board that there are (2) major pronouncements that needs to be attended to which is Fix Asset Modules and Pension

Modules. Modules Gatsby 34 and Gatsby 68 are the modules she suggests. She informed the board that if something should happen to her then all of the Chicago Heights Park District information is on her system.

Commissioner Mancina asked about the expenditures and capital assets on page 30. She stated it is about a \$6 million dollar difference in the Capital Assets. She stated that she does not recall the park district making any \$6 million purchases during the fiscal year. Ms. Arnold informed her that the park district had the pool which was \$3 million. Commissioner Mancina asked what is the difference of April 30,2020 versus the balance in May 1, 2020? Ms. Arnold stated that the pool was listed in construction in progress. \$15 million total of assets in the governmental activity's capital assets. However, it was a glitch in that total. It is not \$15 million it should reflect the amount on the first part of the notes. Ms. Arnold commended Commissioner Mancina for asking questions and pointing out the mistake on the report. Ms. Arnold informed the board that there is a governance letter that Superintendent Perez receives to confirm that everything in the letter is correct and he signs off on it. She informed the board that and the accountants will continue to work on the audit. This is just a draft audit. Commissioner Mancina enquired on what date would the audit be complete. Ms. Arnold stated that it is solely on the board of commissioners on how they would like to move forward. President Benavides stated that is top priority to have the audit completed. Ms. Arnold said she will direct everything back to management on how to proceed.

**Submission of Bills:** On a motion to pay the bills for the month of January 2021 by President Benavides, seconded by Commissioner Zuniga. The following ayes were recorded: Commissioner Kyles, Commissioner Leon, Commissioner Nichols-Brown, Commissioner Zuniga, and President Benavides. The following nays were recorded: Commissioner Mancina and Commissioner Strazcek. Motion passed.

Commissioner Mancina asked Superintendent Perez about Clay Custodial billing until January 14th. She wanted to know if the contract was terminated. Superintendent Perez stated that after the maintenance repairs were completed at the golf courses Clay Custodial services were put on hold. Commissioner Mancina also enquired about Joe's Painting for \$6,500. She wanted to know what the project was for Superintendent Perez informed her that remodeling was done and after roof repairs at the East were done, they did the painting. She asked how much the total project was. He informed her that it was over \$13,000. How much is still owed to Joe's Painting? He informed her that they were paid in full. She asked how long did it take them to do the job? He informed her that it took about two weeks.

**Adjournment:** On a motion to adjourn the Regular Board Meeting by President Benavides, seconded by Commissioner Zuniga at 7:40 p.m. The following ayes were recorded: Commissioner Kyles, Commissioner Leon, Commissioner Nichols-Brown, Commissioner Mancina, Commissioner Strazcek, Commissioner Zuniga and President Benavides. Motion passed.

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Secretary

Date