



**Clark County Park District  
Special Board Meeting  
October 11, 2018  
6:00 p.m.**

**1. Call To Order**

- a. Commissioner Blankenship called the meeting to order at 6:00 p.m.

**2. Roll Call**

- a. Commissioners in attendance were Joey Ewing, Steve Turpin, Lisa Thomas, Randy Blankenship, Jeff Wallace, Don Pine, and Roy Sweet. Also in attendance were Executive Director Jeff Tippett, Accountant Ben Leuken, and Office Manager Danielle Kiger.

**3. Pledge of Allegiance**

**4. Approval of Agenda**

- a. Wallace motioned to approve the agenda with the removal of number 8, Executive Session. Thomas second. 7 ayes, 0 nays. Motion carried.

**5. Public Comment**

- a. Kent Waltz commented about the concern of doing away with advanced reservations. He stated that he cannot imagine any reason for that. He feels like the board is doing what they can to keep the campers upset and he doesn't understand whether they are trying to thin the park out or what they are going. It started with getting rid of the annuals, then you raised the boat fees up so high and that didn't work because you ended up losing \$17,000. Now you want to mess with Advanced Reservations, if you do away with advanced reservations you're going to have 140 sites that will be sitting empty until the weekends when people will come in. I cannot imagine the chaos at the gatehouse trying to reserve things. A lot of people aren't going to do that. People aren't going to want to set up and tear down every weekend. I don't know if that's what you are talking about. All the agenda says is modifying/eliminating advanced reservations. There hasn't been any clarification and nothing was brought up in the campers meeting. This is the first I have heard of it, so he thinks that's why everybody showed up because of that and they would like for you to clarify.
- b. Blankenship commented that he would like to take a minute to rebuttal with the public so maybe we can save time. We really aren't trying to take away the advanced reservations just the money part of it. The audit has been so hard. The auditor's question was why we have so much money coming in on April 1<sup>st</sup>. If we do away with advanced reservations it makes the audit better. Not necessarily the reservation, but the deposit, any money changing hands until it's time. Waltz clarified that we would still be able to make the reservation, you just wouldn't be putting a deposit down. Blankenship responded that speaking for himself, yes.



- c. Pine commented that actually all of this is up in the air. It is just up for discussion item for tonight to get the ball rolling. We probably could have worded it differently. It's the system that we are now using. Waltz commented that he understood that in the past they would let people make reservations 3-5 years out and the money was long gone before it ever got to that year. They did away with that and you can only go out for a year. He thought it was working ok. Blankenship stated that it's working ok, but it's making it hard on the money side for the audit.
- d. Turpin commented that this was not brought up in the campers meeting because from his perspective there hasn't been one thought about doing away with advanced reservations. The difficulty is with an accrual system, we have the difficulty of \$224,000 that all hit the books on April 1<sup>st</sup> because of all the advanced reservations. We didn't earn that money on April 1<sup>st</sup>, it was actually earned throughout the camping season. We are having trouble coordinating between Campground Master and QuickBooks when that money is actually earned and can be credited to the cash account. Again, he stated that he cannot speak for the board but what we are trying to do is work with the auditors and the accountant, and that's why the accountant here. We are really only looking at it is how we handle the money internally. He has no intention of changing anything in advanced reservations. "They are mandatory, we need them, we have to have them". If we don't have them, the park's dead, people won't show up. It's just not going to work. He has no intention of ever voting for anything like that, but we do have to straighten out the internal controls so that we can satisfy the auditors and the state of Illinois.
- e. Pine followed up by stating that they have no plans, we are just starting this discussion of how to approach this and what to do tonight. We are just starting this. We will give you more than a couple of days' notice if we are going to vote on something like this. Someone commented that this is why everyone showed up because it's discussion, because when it's vote time it's too late to voice your opinion.
- f. Wallace stated that he is the one to blame for this being on the agenda. He explained that we are trying to get through the audit. He further explained that he didn't mean doing away with the campers getting their site year after year. What he does not like, nor has he ever liked, was when they started this several administrators ago, that administrator thought it would be a good idea to collect money in advance, and he doesn't like doing that. He doesn't like asking you to pay for next year. Several years ago we were in financial trouble and the board was considering taking out a loan so they could open up the year. What he would personally like to see the park do, is to keep the ability to reserve your spot, but only pay during a specific window. He commented that basically we should be billing the campers on a monthly basis.



- g. Leuken further explained that about 7 years ago, he recommended to the park that they stop accounting and go to a modified accrual basis, stopping accounting for the advanced reservations in their audit, and the auditors were fine with that. So we have went this period taking advanced reservations. The software used to make the reservations is called Campground Master and there really wasn't any internal staff that could really be able to understand the process of what happened when advanced reservations were made and when they were used in order to book them properly. We have been going along fine and this year, the board decided to make a change to go to a full blown accrual based system and try to integrate Campground Master into QuickBooks and it didn't work to the auditor's satisfaction. The auditor is not suggesting that we do away with advanced reservations, they are suggest that we go back to doing what we were doing before, or else we have to clean this system up. He's not sure that the system is going to give the auditors what they want, which is a subsidiary ledger to support what they are needing to test. He stated that his recommendation was to stay under the modified accrual basis, not change anything, and continue as we were going. It does give the park the potential to have misleading financial statements because if they do have money for a future year, it's not reflected properly. This is the issue that the auditors are having because of the change this year. Leuken stated that for the record, he did not implement the change, he didn't stand for the change, he didn't recommend the change. It was decided to implement the change and it's been implemented pretty much all year long. He stated that he told the board that he could not be satisfied as the park's independent accountant to sign off on the financial statements in the areas of accounts receivable and advanced reservations, because there hasn't been anything to tie those numbers to and to show that they are correct.
- h. Melanie Ogle asked if the board would include right to revert to prior order of business so she could have waited to hear the discussion and then made her comments because what I had to say may be null and void after hearing the discussion. The second thing she wanted to ask was that the board not make any rash quick decisions for the park based on this audit. This is based on her understanding that the park made a change that was not recommended by the accountant. She thanked the board for their good hard work. She also encouraged the board be the board and let the director run the park.
- i. John Altman stated that he heard about the park doing away with the annuals, he sees no point in it and it's upsetting the campers. Everything that has been done to his site, he has done himself. He stated that his site is A22 and there is no drop box on A14 and there is water standing there and has been. He commented that there is rock all over the grass and he asked if this was going to



be cleaned up or if it is going to be left for the mowers to throw all over our campers.

- j. Sam Skinner talked about water standing between his site at A8 and site A10. He stated that by far it is the worst spot for holding water and he asked if they are going to do anything about that. He also inquired as to what is going on with the docks and why they have not been fixed yet. Tippet responded that they were started this week and it is moving a little slower than anticipated due to the tongue and groove system and modifications that have to be made to the materials. He also explained that he picked up more materials for the drainage project today.
- k. Jay Gentry asked if any of the board members ever camp out here.
- l. Sue Fuqua inquired as to whether or not the electrical issue is going to be fixed at her site or not and she also commented that when it rains they can't get to the door of the camper because of all of the water. Tippet thought that we just fixed that site. He stated that the biggest problem that we are having with the electric is on the camper's side of the electric, you have to clean the contacts really well. You get a better connection. It's only 110 volt system. The other problem is the breakers. When you are pulling your plugs it's also pulling the breakers. We will be getting this fixed as well. Someone commented that the female side of the plug does get worn out and loose. This is also creating a loose connection and they do have to be replaced eventually. A loose connection is a hot spot.

## **6. Old Business**

- a. None

## **7. New Business**

- a. Discussion/vote on response to auditor request for instructions to proceed with audit
  - i. Leuken stated that the auditors have given the board three options. For no additional work, they can give an adverse opinion on the parks financials. This means that the financial statements are not acceptable, the comptroller would accept them however the auditor would require the following year that the adverse opinion be corrected. The second option would be for them to spend additional time to see if they could come up with enough documentation and evidence that the advanced reservations don't have any material weaknesses. This could cost between \$2,500 and \$3,000 and the results could still be an adverse opinion, a modified opinion, or an unmodified opinion. There are some corrections that need to be made going forward. They have also stated that you could reverse what was done over the past year and go back to the old system going forward and we shouldn't have any more issues moving forward. However, he does know that the board has concerns



regarding internal control issues. He commented that the auditor has sent a quote to the additional audit fees up to this point.

- ii. Wallace stated that at the last meeting with the auditors, he asked them specifically that if we did away with the advanced reservations, will this make things better, and she said yes, emphatically. He stated that he wants a system that works best for everybody. He wants us to do away from taking a payment. He would personally rather the advanced reservations be done in the office versus taking them in the gatehouse.
- iii. Sweet inquired as to whether or not the auditors had the approval to go over the \$10,000 in the quoted fees. Leuken stated that in their engagement letter they stated that if they run into problems during the audit that are not in the normal course of business, there would be additional fees. They encountered issues.
- iv. Turpin asked what the process is to revert back to recording the money for the fiscal year that we are trying to close. Go back to the journal entries. How long will that take and will that satisfy the auditors. As the treasurer, I want the audit closed without any adverse opinion. Will this satisfy the auditors?
- v. Leuken recommend that we go back to the old way and stay with that system. He knows that Lisa has spent countless hours on this and he knows that the board has concerns about internal control, but he said this 7 years ago and stands behind the fact, adding that Danielle is one of the best people that we have had inside the office, the accounting out of Campground Master and integrating it with QuickBooks leaves for these issues. These are the same issues we had 7 years ago. If Lisa is gone tomorrow, you are going to have a lot of problems going forward in you are going to have to spend a lot of money paying him to be able to remedy the problems as we don't have a full time accountant in the office. You have a bookkeeper, which is not a knock on Danielle as she is extremely talented, but you don't have a person who understands how to make the accounting entries needed. His recommendation is to go back to the way we were doing this before. He stated that the board is going to do whatever they want to do and he is unsure why they pay him because he feels that they do not listen to him anyway. He stated do with it what you want and he will figure out how to account for it to pacify the auditors.
- vi. Turpin made a motion to revert back to close the audit so they can handle it the way they did before with the journal entries based on the auditor's recommendation. Ewing second.
- vii. Turpin aye, Thomas aye, Blankenship aye, Wallace aye, Pine aye, Sweet aye, Ewing aye. O nays. Motion carried.



- viii. Ewing asked that a discussion be added to the regular board meeting agenda pertaining to moving forward.
- b. Discussion on modifying/eliminating Advanced Reservation
  - i. Leuken explained that Tami's recommendation to do away with the advanced reservations, not on a camping basis, only in going back to not reporting advanced reservations on the financial statements.
  - ii. Leuken's recommendation is to make the reservations, but not collect a deposit. There would be a penalty determined by the board if the customer should cancel their reservation without a good reason to cancel. The payments would not come until April 1<sup>st</sup>. People could give you checks dated April 1<sup>st</sup> or leave a credit card number, but you would not take any money until April 1<sup>st</sup>. By doing this you have completely eliminated the issue going forward.
  - iii. Wallace stated that this recommendation is what he wants.
  - iv. Wallace followed up to a comment from the audience that the campers do not want the park to financially suffer due to the lack of deposits. Wallace stated that this is why the campers should come to meetings and do their due diligence and making sure that the board is doing their job as board members. They had some bad things happen several years ago and money got "pissed" away when different things happen. This board as a majority have done what they have done in working with Tippett and his staff in meeting their challenges in getting the budget in the black. The campers are constantly needing things and the board understands this, however we are doing what we can. He discussed the dock project and the challenges with it, he also mentioned other jobs that the park is getting done.
  - v. There was a comment from the public that there needs to be a mass notification system.
  - vi. There was also another comment from the campers pertaining to us losing the deposit money.
  - vii. Blankenship suggested a discussion and vote on be added to the regular board meeting agenda for the modification of advanced reservation.
  - viii. Ewing stated that he is behind the idea of not taking the money as this just messes up the financials. He stated that there is a time frame that things have to be paid for so we are going to have to revisit Appendix A and pull the verbiage out of there.

## 8. Adjourn

- a. Turpin motioned to adjourn. Ewing second. 7 ayes, 0 nays. Motion carried.
- b. Meeting was adjourned at 6:54 p.m.