



Finance Department
18 North County Street – 9th Floor
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www.lakecountyil.gov

To: RuthAnne Hall, Assistant County Administrator
From: Melissa Gallagher, Chief Financial Officer
Adam Krueger, Finance Specialist
Subject: Dissolution of the Slocum Lake Drainage District Financial Review
Date: September 20, 2024

The Lake County Finance Department was asked to review the financial records of the Slocum Lake Drainage District (“District”). The purpose of the review is to facilitate the ongoing dissolution of the District under 55 ILCS 5/5-44025. The Lake County Treasurer’s Office provided bank statements, bank reconciliations and financial reports; and the Attorney for the Slocum Lake Drainage District, Bryan Winter of Fuqua Winter Ltd, provided a Draft Audit Response Letter, Draft Statement Draft Claim Forms. Requests for information were responded to on a timely basis.

Lake County Finance reviewed Treasurer’s Reports and supporting bank statements from August 1, 2023, to August 31, 2024; and information provided by Attorney Bryan Winter. Below are the details and findings from the audit process.

Revenue:

The only funding source for Slocum Lake Drainage District is property tax distributions. The District derives its revenue from a \$14 annual maintenance assessment placed upon the tax bills of the properties within the District boundaries, with the total tax generating approximately \$10,500 annually. Revenue is deposited to the District’s bank business checking account (non-interest bearing) at The Huntington National Bank (account number ending in 2491). The records do not indicate any investment instruments such as CDs for the District. In reviewing the financial records, there are no accounts receivable amounts due to the District.

See the Drainage District Annual Financial Report of Commissioners which was provided by Attorney Bryan Winters that details receipts and disbursements from November 1, 2023 to August 30, 2024. The ending balance of \$114,511.77 on the report reconciles to the bank balance of \$114,561.77 less outstanding check #3055 in the amount of \$50.00.

Disbursements:

During the period from August 2023 to August 2024, the District had \$5,605.55 in expenses. The expenses relate to attorney fees, bank fees and commission claims for service. Bank fees/check printing for the checking account were \$292.05 (5.2% of the total expenses); Commissioner claims for past service totaled \$2,058.50 (or 36.7%) (Commissioner Sara Moore, \$630.00, Commissioner Joan Micelli, \$829.50, and Commissioner Dennis Leslie, \$599.00); Attorney fees totaling \$315.00 for Hervas, Condon & Bersani (5.6%) and \$2,940.00 for Peterson, Johnson & Murray LLC (52.4%).

The District has and expects to receive several invoices for services rendered on behalf of the District, including attorney fees, commission claims for past service and other vendors as described by Attorney Bryan Winter. There is an accounts payable check (#3055) in the amount of \$50.00 dated 1/19/2021 payable to Illinois Association of Drainage District (IADD) that has not cleared the bank.



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The Treasurer's Reports that were provided were reconciled. There was one accounting error which resulted in a bank debit transaction of \$162.05 recorded as revenue. The Treasurer's Office corrected the transaction and recorded it as an expense.

Finance reviewed only the records that were provided and did not find any irregularities. The supporting documentation has been attached to this memo for reference.

Summary of Assets on Hand, Debts, and Property:

The District has no debts past due. The Slocum Lake Drainage District's personal property is one laptop computer and a bank business checking account with an ending balance of \$114,561.77 (as of August 31, 2024) which are funds accrued from past levies. The District has an interest in real property that the District possesses for various easement rights.

If you have any questions or need further information, please contact Melissa Gallagher at mgallagher@lakecountyil.gov.