

**MINUTES OF A THE FINANCE COMMITTEE MEETING
OF THE PARK DISTRICT OF HIGHLAND PARK
HELD ON AUGUST 18, 2022 8:10 A.M.**

Present: Commissioner Bernstein, Vice President Freeman

Absent: None

Also, Present: Executive Director Romes; Director Peters, Director Gogola; Director Voss; Assistant Director Maliszewski; Manager Ochs; Manager Baczek; Manager Schwartz; Coordinator Hejnowski

Guest Speaker: None

Additions to the Agenda

None.

Quarterly Treasurers Report and Financial Forecasts by Fund

Director Peters provided a quarterly review of each fund.

Operations (General and Recreation Fund) Budget vs. Actual

Director Peters reported that as of July 31, 2022, actual revenues are exceeding budgeted revenue by about \$1.2 million and actual expenses are \$1.6 million less than budgeted for a year-to-date net difference of about \$2.8 million surplus. When compared to the pre-COVID years (2017-2019), the District has about a \$1 million surplus.

Commissioner Bernstein would like to know the yearend projections.

Director Peters reported that staff should have the yearend projections by the end of October.

General Fund Budget vs. Actual

Actual revenues are exceeding budgeted revenue by about \$660,000 and actual expenses are \$561,000 less than budgeted for a year-to-date net difference of about \$1.2 million surplus. When compared to 2019, a pre-COVID year, the District has a \$132,000 surplus. The surplus is attributed to a \$230,000 surplus from replacement taxes, a \$32,000 surplus from interest revenue, and a \$77,000 surplus from property taxes. Furthermore, the District is still short-staffed resulting in a \$238,000 savings. Overall, it's a \$577,000 surplus as of July 31, 2022, in the general fund.

Director Peters informed the Finance Committee that there is an expense variance from the aftermath of the Fourth of July Shooting. The total variance is \$164,300 this is due to summer camp refunds, donations to the Highland Park Community Foundation, canceled summer camp busing services, and field trips. Overall, the District is about \$24,000 over budget as a result of Fourth Fest and the aftermath.

Commissioner Bernstein would like to recognize the Fourth Fest Sponsors at Touch-A-Truck.

Recreation Fund Budget vs. Actual

Actual revenues are exceeding budgeted revenue by about \$560,000 and actual expenses are \$1 million less than budgeted for a year-to-date net difference of about \$1.6 million surplus. When compared to 2019, a pre-COVID year, the District has a \$450,000 surplus. The surplus is attributed to \$20,000 from aquatics, \$77,000 from athletics, \$278,000 surplus from tennis, \$55,000 surplus from west ridge programming, a \$150,000 surplus from Sunset Valley Golf Club, and a \$100,000 surplus from property taxes. Furthermore, the District is still short-staffed resulting in a \$470,000 savings. Overall, it's a \$1.1 million surplus as of July 31, 2022, in the recreation fund.

Special Recreation Fund Budget vs. Actual

This fund is trending as expected. There will be a large transfer at the end of the year into the capital fund to support ADA components of projects.

Vice President Freeman would like to know the expenses of this fund.

Director Peters reported expenses include NSSRA companions/aids to support programs and transfers to support ADA project components.

Capital Fund Budget vs. Actual

Due to project delays expenses are down, but those will significantly increase before the yearend.

Commissioner Bernstein would like to know if the rink floor repairs are included in these figures.

Director Peters reported that the site and facility renovation figures are included, however, the rink floor repairs will be baked in next month.

Cumulative Monthly Payroll Budget vs. Actual

As of July 31, 2022, the District is \$500,963 under budget since several positions are still vacant.

Non-Cumulative Monthly Payroll Budget vs. Actual

As of July 31, 2022, the District is about \$100,000 over budget due to timing differences.

Conclusion

As of July 31, 2022, Park District programs and facilities are performing better than budget, \$1.2 million of the operating surplus is due to timing differences, \$55,000 surplus from West Ridge Center which is primarily due to early childhood programming revenues, \$278,000 surplus from tennis which is due to the 400 additional participants, \$20,000 surplus from aquatics, \$77,000 surplus from athletics, and \$150,000, surplus from Sunset Valley Golf Club. Additionally, replacement takes are \$230,000 greater than anticipated. Conversely, there is a \$177,000 surplus from property taxes and a \$32,000 surplus from interest revenue. Lastly, there is a savings of \$714,000 from salaries and wages due to open positions. Overall, the Park District is in a very favorable position at the end of July.

Commissioner Bernstein would like to know if a budget amendment is needed due to \$250,000 in unrelated expenses due to the Fourth and \$200,000 in unrelated expenses from the rink floor repair at Centennial Ice Arena.

Director Peters reported that an amendment is not needed.

Finance Committee Meeting Minutes
August 18, 2022

Commissioner Bernstein requested a presentation from Deer Creek Racquet Club Staff since tennis and pickleball programs are excelling.

Executive Director Romes reported that staff will provide a tennis and pickleball operations update to the Park Board in October.

Commissioner Bernstein would like to re-engage the Golf Advisory Committee.

August 2022 Bids Results

Manager Ochs reported that staff went out to bid for the 2022 Facility and Parks Asphalt Improvements in July to replace cart path holes 2, 3, 4, 5, 8, and 9, to repair the parking lot at Heller Nature Center parking, and to stripe the parking lot at Sunset Woods Park. The bid included five alternates. The District received two bids, Troch McNeil Paving Company and Chicagoland Paving. Troch McNeil Paving Company was the low bidder at \$130,840. Staff budgeted \$130,000 this year, so the project is slightly over budget by \$840.

Staff recommends that the Park Board of Commissioners approve the Base Bid and Alternates due to favorable pricing at the August 24 Regular Board Meeting. This will allow the Park District to complete projects in 2022 that are allocated in the Five-Year Capital Plan for future years. The Sunset Valley Golf Club cart part improvements project is a three-year project. Accepting Bid Alternates 1 and 2 for holes 8 and 9 will reduce the scope and budget for future years. Accepting alternate 4 for the Heller Nature Center parking lot reduces the asphalt budget for the 2023 Capital Plan.

Staff received consensus from the Finance Committee to place base bid items 1,2,3, and 4 and Alternates 1,2,4, and 5 on the consent agenda at the August 24 Regular Park Board Meeting from Troch McNeil Paving Company for the 2022 Facilities and Parks Asphalt Improvements Project in the amount of \$321,550.

Other Business

Commissioner Bernstein requested a presentation at the next Finance Committee Meeting of the impacts on the operating and capital funds since several projects are coming in over budget.

Open to the Public to Address the Board

None.

Adjournment

The meeting adjourned at 8:55 a.m.

Respectfully submitted,

Roxanne Hejnowski

Roxanne Hejnowski, Assistant Secretary