

**MINUTES OF A THE FINANCE COMMITTEE MEETING
OF THE PARK DISTRICT OF HIGHLAND PARK
HELD ON APRIL 18, 2023 8:05 A.M.**

Present: Commissioner Bernstein, Commissioner Kaplan

Absent: Commissioner Kaplan, Vice President Freeman

Also, Present: Executive Director Romes; Director Peters, Director Gogola; Director Smith; Director Voss; Director Murrin; Manager Ochs; Manager DiTomaso; Manager Acevedo; Manager Reyes; Manager Baczek; Supervisor Kelly; Coordinator Hejnowski

Guest Speaker: None

Additions to the Agenda

None.

The Minutes from the March 21, 2023 Finance Committee Meeting were removed from the agenda and will be approved at the next Finance Committee Meeting or the April 26 Regular Meeting.

Fontana-Pasquasi Park Naming Update

Director Gogola reported that Mr. Fontana-Pasquasi would like to donate \$250,000 to re-name Cloverdale Park after his family (Fontana-Pasquesi) and honor Italian families who were the first settlers in Highland Park in the early 1900s. Mr. Fontana-Pasquasi is agreeable to a term limit, possibly 20 or 25 years, however the contract will provide the ability to make an additional donation (amount to be determined) at the end of the term to lock in the name for another agreed upon term.

Staff reviewed comparable naming rights projects:

- **Danny Cunniff Park:** the family donated \$650,000. The project cost was approximately \$2 million.
- **Brian P. Schwartz Field:** the family donated \$187,000. The project Cost \$300,000.
- **Debbie Beitler Gottlieb Dog Park:** the family donated \$70,000. The total project cost was undetermined.
- **Fox Baseball Field:** the family donated \$300,000. The engineers estimate \$1.7 million for the total project costs.

Director Gogola reported that these naming right opportunities are located at or within larger community parks that serve as regional destinations for events (baseball games and other community events). Deer Creek Racquet Club is located at Larry Fink Park and Centennial Ice Arena is located at Danny Cunniff Park; both facilities draw additional traffic and visibility to the park and park amenities. Overall, naming right opportunities were associated with funding new projects.

Commissioner Bernstein would like to know the lifecycle of the playground, basketball courts, and the tennis courts at Cloverdale Park.

Director Voss reported that the lifecycle of a playground is 20 years. The playground at Cloverdale Park is 14 years. As for the basketball and tennis courts, those are colored and repainted repairs every five years.

April 18, 2023

Repaving, coloring, and painting is every 10 years. The District has funds set aside in the five-year capital plan in 2026 to replace the playground and color and paint the basketball courts.

Commissioner Kaplan and Commissioner Bernstein support the donation to rename Cloverdale Park.

Commissioner Bernstein requested that the donation be used to support the scheduled repairs or landscaping at Cloverdale Park. Furthermore, he would like Mr. Fontana-Pasquasi to attend a Committee Meeting to thank him for his generous donation.

Recreation Center of Highland Park Quarterly Reports and Five-Year Financial Analysis

A. Five-Year Financial Analysis

Director Murrin reviewed the five-year financials covering 2017, 2018, 2019, 2021, and 2022 (excludes COVID year). In 2017 revenue was \$2.3 million vs. \$1.8 million in expenses. In 2018 revenue began to decrease whereas expenses began to increase. This trend continued in 2019 and 2021. Also, the membership plan was removed in 2021. The first quarter of 2022 the state was still in deep COVID mitigations. Memberships began to build as of April. As of March 31, 2023, the actual revenues surpassed the budgeted amount by \$55,000.

Manager DiTomasso reviewed the year-end reports for membership revenue and total members, personal training revenue and personal training utilization, daily pass sales, and fitness floor, group ex, and track pass only utilization reports. She is pleased to report that daily pass sales have significantly increased since COVID and are in high demand, so staff are finding creative ways to offer more daily opportunities.

Commissioner Bernstein requested that staff develop projections, to help the Park Board of Commissioners better understand how to invest dollars for the RCHP.

A. Quarterly Financial Report

Manager DiTomasso reviewed the actual vs. budgeted membership revenues, personal training revenues, and daily pass sales from Q1 of 2023, noting that actual membership revenues are up by 41%. She also provided a membership breakdown comparing the membership types and the utilization based on ages (12 – 75years). Lastly, she reviewed the personal training, group ex, fitness floor, and track utilization from Q1 of 2023. Overall, the growth strategy for 2023 is to utilize our customer relationship management system to identify leads and sales while also engaging and retaining current users. The Marketing team has rebranded the club's identity and is marketing this through mailers, social media, and website clicks. Promotions and continued facility enhancements will help to attract new users.

Hidden Creek AquaPark Five Year Financial Analysis Report

Manager Acevedo reviewed the historical trends over the past five years covering 2017, 2018, 2019, 2021, and 2022 (excludes COVID year). Expenses have increased roughly 3% every year due to the increase in minimum wage, inflation, and costs for materials and expenses. She provided a member analysis, noting that there were 1,587 members in 2017 and 2,283 members in 2022. As of today, 995 memberships were sold (911 R/ 84 NR). Staff anticipates actual members will surpass the budgeted figures. Lastly, she reviewed the utilization over the past five years, noting that attendance in 2017 was 26,766 and in 2022 was 27,031.

April 18, 2023

Larry Fink Memorial Park Baseball Field Improvements Project Update

Director Smith reported that the bid opening will occur the end of April, the bid results will be reviewed at the May Finance Committee Meeting, and staff will request approval from the Park Board of Commissioners at the May 24 Regular Meeting. If approved, construction would commence in July, with substantial completion in the fall, with a grand opening in the Spring of 2024.

April 2023 Bid Results

B. 2023 Hidden Creek AquaPark Deck Chairs Replacement project

Director Smith reported that the concrete deck surrounding the pool at Hidden Creek AquaPark has reached its useful life and is scheduled for replacement in 2023. The Park Board of Commissioners approved an engineering contract with Gewalt Hamilton and Associates on May 25, 2022. Construction documents were completed in early 2023. Additionally, The Park District recently purchased new shade structures. The timing of replacing the concrete pool deck is ideal to include installation of the shade structures. Combining these two projects maximizes efficiency and reduces cost. Construction is expected to take place this fall after the pool season and be completed by the end of this year.

The Park District received three bids for this project. The low bidder is Stuckey Construction Co, Inc. This contractor has favorable references and experience working with the Park District.

Staff received consensus from the Finance Committee to place the bid from Stuckey Construction Co, Inc. on the consent agenda at the April 26 Regular Meeting.

Ordinance #2023-04: Authorizing and Providing for the Conveyance or Sale or Surplus Personal Property

Director Peters reported that the Park District is looking to dispose of the Ice Mat. System.

Staff received consensus from the Finance Committee to place Ordinance #2023-04 on the consent agenda at the April 26 Regular Meeting.

Other Business

None.

Open to the Public to Address the Board

None.

Adjournment

The meeting adjourned at 9:03 a.m.

Respectfully submitted,



Roxanne Hejnowski, Assistant Secretary