

MINUTES OF A FINANCE COMMITTEE MEETING OF THE BOARD OF PARK COMMISSIONERS OF THE PARK DISTRICT OF HIGHLAND PARK HELD ON WEDNESDAY, MARCH 17, 2021, 4:02 PM. THE MEETING WAS CONDUCTED REMOTELY DUE TO THE GOVERNOR’S DECLARATION OF EMERGENCY AS A RESULT OF THE COVID-19 PANDEMIC. MEMBERS OF THE PUBLIC WERE ABLE TO VIEW A LIVE STREAM OF THE FINANCE COMMITTEE MEETING AND SUBMIT ITEMS FOR PUBLIC COMMENT VIA EMAIL TO THE EXECUTIVE DIRECTOR TO BE READ ALOUD DURING THE MEETING.

Present: Commissioner Bernstein, Vice President Kaplan

Also, Present: Executive Director Romes; Director Peters, Director Dunn, Director Gogola, Director Voss, Director Smith, Director Carr; Assistant Director Maliszewski; Manager Ochs, Manager Warsaw; Administrator Rosen; Accountant Bhardwaj; Manager Johnson; Coordinator Hejnowski

Guest Speaker: None

Public Comment for Items on the Agenda

None

February 18 and March 4, 2021 Finance Committee Meeting minutes were approved.

2021 Financial Forecasts and Treasurer’s Report

Projected Cash Flow/Operations (Operations General and Recreation Fund)

Director Peters presented the District’s chart of 2021 operations which examines the General and Recreation Funds comparing the budgeted vs. projected cash on hand at the end of each month. As of December 31, 2021, the Park District budgeted to have about \$12.2 million in cash on hand. However, as of February 28, 2021, staff are projecting that to increase to \$12.5 million. She reminded the Finance Committee Liaisons that the General and Recreation Funds have a 25% reserve policy, which based on the 2021 expenditures is about a \$4.1 million reserve balance.

Operations (General and Recreation Funds) Budget vs. Actual

Director Peters reported that as of February 28, 2021, staff budgeted \$1.11 million in operating revenue. Due to the increased mitigation measures which were in effect until Mid-January the actual revenue was slightly less at \$1.01 million. Likewise, the actual expenses were less than budgeted by \$43,000, resulting in a year-to-date net surplus of \$322,869.52 compared to budget. When comparing the District’s current financial status to a three-year average pre-covid (2017 – 2019), the year-to-date monthly net difference is a \$554,411 shortfall.

Commissioner Bernstein would like to know if staff have plans to offset the \$554,411 shortfall when compared with the three-year average pre-covid.

Director Peters reported that being only 2 months into the fiscal year, staff and the Finance Committee should focus on year-end figures instead of monthly comparisons. While the District’s short and long-

term plans have anticipated a shortfall due to the Pandemic, Park District Spring, Summer and Fall registrations are already exceeding budget projections and it is too early to tell how we will end the Fiscal Year in comparison to pre pandemic years.

General Fund

Director Peters reported that the budgeted revenue is aligning with the actual revenue, whereas, actual expenses are slightly less than budgeted, resulting in a year-to-date net surplus of \$144,746.40.

Recreation Fund

Director Peters reported that the actual revenue is \$100,000 less than budgeted. However, this led to reduced expenses which resulted in an overall year-to-date surplus of \$188,123.12.

Special Recreation Fund

Director Peters reported that this fund is trending as expected.

Debt Service Fund

Director Peters reported that this fund is trending as expected.

Capital Fund

Director Peters reported that the Park District budgeted \$5.7 million in expenditures. As of February 28, 2021, the District has spent \$13,000.

Cumulative Monthly Payroll Actual vs. Budget

Director Peters reported that as of February 28, 2021, the Park District budgeted a little over \$1 million in expenditures. Due to the mitigation measures which reduced programming and services, the Park District has spent \$982,458.29 which is \$92,862.91 less than budgeted.

Non-Cumulative Monthly Payroll Actual vs. Budget

Director Peters reported that for the month of February the Park District's actual expenses are \$24,619.92 less than budgeted.

Conclusion

Director Peters reported that several programs and services were canceled until mid-January due to COVID-19 mitigation measures. Fortunately, that allowed the Park District to significantly reduce expenses, which lead to a \$322,869 surplus in revenue. Additionally, the number of people being vaccinated is increasing, while positivity rates and hospitalizations are decreasing so the Park District has seen a significant increase in Spring and Summer registrations. Furthermore, the Park District is continuing to receive unbudgeted financial support, which includes a \$72,000 insurance rebate check from Park District Risk Management Agency (PDRMA), and \$18,000 check from the Illinois Environmental Protection Agency (IEPA), and with the passing of the American Rescue Plan, the federal government will provide relief for 75% of the Park District's unemployment costs and COVID related expenses, along with relief from Federal Emergency Management Agency (FEMA) funds.

Slide Resurfacing and Heater Replacements at Hidden Creek AquaPark

Director Carr reported that the slides at the Hidden Creek AquaPark undergo routine daily, weekly, and annual inspections and maintenance. Every 4-5 years, the Park District budgets to resurface slides as part of routine maintenance. During the 2019 annual inspection conducted by an outside contractor, it was recommended that the Drop and Spiral slide be resurfaced. Due to the pandemic, the AquaPark was

closed for the 2020 season so the resurfacing project budgeted in the 2020 capital plan was deferred until 2021. With staff planning to open the AquaPark this summer, staff recently bid out the project and received a bid from SlidePros restoration for \$26,205, which is \$2,795 under budget. Since the Park District has worked with this company in the past and the bid came in under budget, staff are seeking consensus from the Finance Committee to recommend approval from the Park Board of Commissioners at the March 30 Regular Board Meeting.

Commissioner Bernstein and Vice President Kaplan support the project and will recommend approval on the consent agenda from the Park Board of Commissioners at the March 30 Regular Board Meeting.

As for the pool heater replacement project, Director Carr reported that the AquaPark has two heating units, one was installed in 2009, the other in 2010. Both units have met their useful life, so staff conducted a bid opening yesterday. Unfortunately, of the five bids received all came in over the \$50,000 budget. He reported that the lowest bid was \$15,390 over budget. As a result, the Park District will re-bid the units separately and remove the installation costs, since the District's staff have HVAC experience and are comfortable performing the installation. Staff will provide a recommendation to the Finance Committee and Park Board of Commissioners in April based on the results from the second bid opening.

Commissioner Bernstein and Vice President Kaplan support staff's recommendation to rebid the project.

2021 Routine Grounds Maintenance Services Bid

Director Voss reminded the Finance Committee liaisons that this project was discussed at the February 18 Finance Committee Meeting. While a separate Landscape Services bid covering different sites is still out for bid, the 2020 Turf Maintenance contract is able to be renewed. Staff is seeking consensus from the Finance Committee to recommend approval from the Park Board of Commissioners at the March 30 Regular Board Meeting to renew the \$68,677 contract with Balanced Environments, Inc. for Turf Maintenance, which includes mowing and string trimming services for 26 weeks, beginning mid-April through mid-October, across 29 sites including local schools.

Commissioner Bernstein and Vice President Kaplan support the project and will recommend approval from the Park Board of Commissioners on consent agenda at the March 30 Regular Board Meeting.

Purchasing of Hybrid Replacement Vehicles

Director Voss reported that the Park District has two vehicles due for replacement, which includes a 4x4 pick up with plow and a standard pick-up truck. Staff has determined replacing with two new pickup trucks at this time does not align with current District needs. Instead, staff is recommending replacing these vehicles with a small SUV hybrid alternative. Currently, there is \$65,000 budgeted to replace these vehicles, and with the Purchasing Cooperative, the Park District recommends purchasing two Ford Escapes for \$55,944. As an added benefit, a standard 2wd pickup truck averages 20 miles per gallon, whereas the Ford Escape averages 44 miles per gallon. It is anticipated these vehicles will accumulate 6,000 miles a year, so the annual savings is a little under \$350, whereas the ten-year savings is \$3,427 per vehicle (\$6,854 total savings). As a result, Director Voss reported that staff is seeking consensus from the Finance Committee to recommend approval from the Park Board of Commissioners at the March 30 Regular Board Meeting for the purchasing of two Ford Escape Hybrids in the amount of \$55,944.

Commissioner Bernstein and Vice President Kaplan are in favor of purchasing two hybrid vehicles and will recommend approval from the Park Board of Commissioners on consent agenda at the March 30 Regular Board Meeting.

Other Business

Director Peters reported that the next Finance Committee meetings are Thursday, April 8 and Thursday, April 22 at 4:00 p.m.

The meeting adjourned at 5:39 p.m.