

2018 ANNUAL BUDGET

DECEMBER 31, 2018
PARK DISTRICT OF HIGHLAND PARK





Park District of Highland Park

2018 Annual Budget

Fiscal Year January 1, 2018 - December 31, 2018

Park Board of Commissioners

Brian Kaplan, President
Barnett Ruttenberg, Vice-President
Calvin Bernstein, Commissioner
Lori Flores Weisskopf, Commissioner
Terry Grossberg, Commissioner

Park District of Highland Park

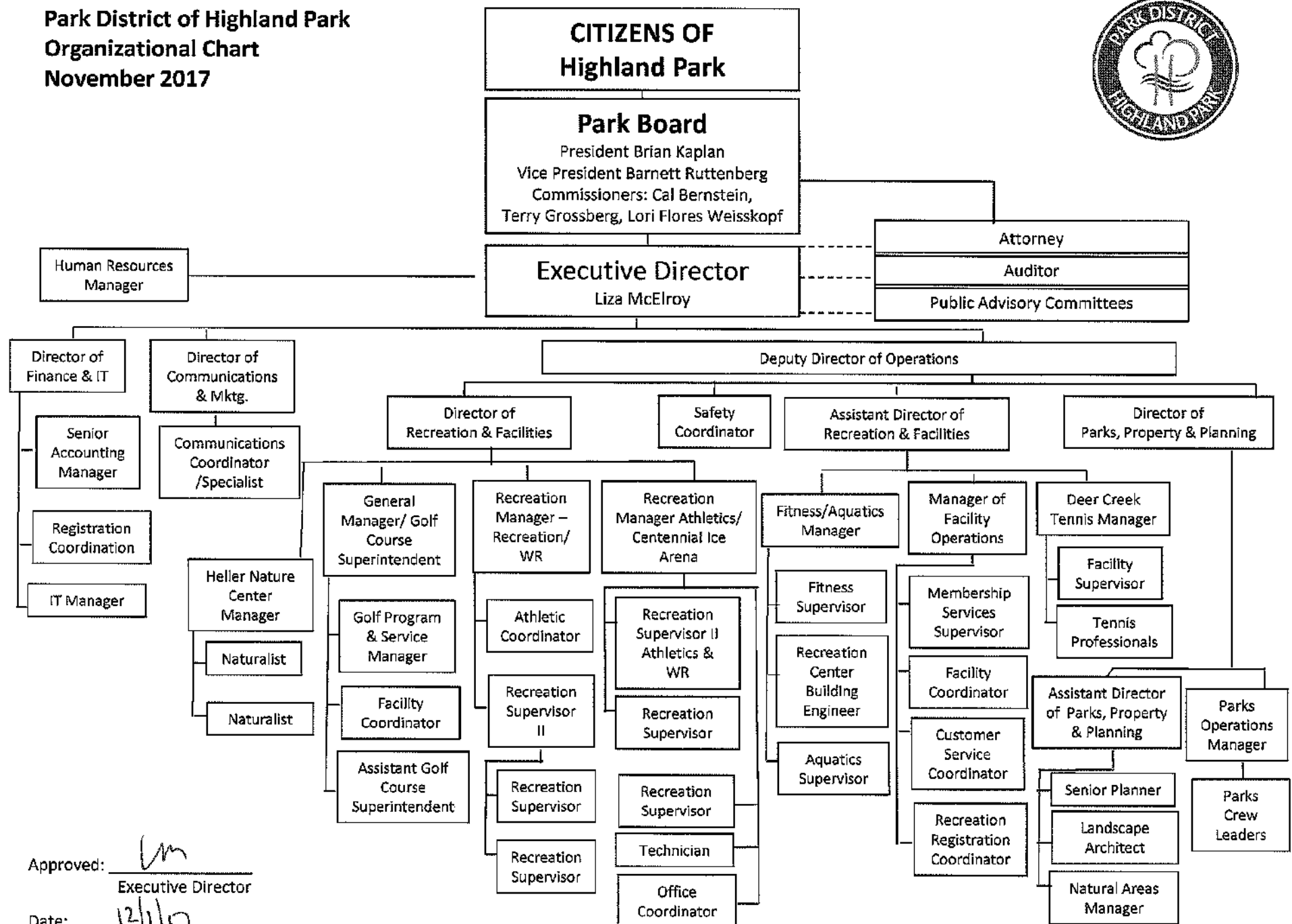
**West Ridge Center
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Highland Park, IL 60035
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Park District of Highland Park

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**Park District of Highland Park
Organizational Chart
November 2017**



Approved: LM
Executive Director

Date: 12/1/17

Park District of Highland Park

Mission:

To enrich community life through healthy leisure pursuits and an appreciation of the natural world.

Vision:

To provide extraordinary experiences in parks and recreation, consistently exceeding the public's expectations, while:

- Inspiring environmental stewardship and education
- Using nimble decision-making and creative solutions
- Creating a harmonious workplace with passionate, forward-thinking staff that share true camaraderie
- Enriching the quality of life for our community

Values:

Communication: We make earnest efforts to connect regularly and effectively with residents. In addition, within the District, we talk to those impacted by our decisions, we speak openly with one another in a trustworthy environment, and we provide direct feedback to others.

Accountability: We demonstrate responsibility to the District and the community in everything we do. We have congruency between our words and our actions.

Innovation: We create an environment that inspires new ideas, we view the District through a different set of lenses and question why we do things the way we do. In addition, we desire to nimbly change our services in response to continuously changing customer requirements.

Integrity: We deliver on what we promise to do by adhering to the highest ethical standards. This results in trust and respect toward one another.

Teamwork: The District's greater good guides our actions. We respect others and work cooperatively and collaboratively, express our differences of opinion, and listen to one another.

Park District of Highland Park

Park District of Highland Park District Profile

Established:

The Park District of Highland Park was established in 1909 and is located in the City of Highland Park, Illinois along the north shore of Lake Michigan. The Park District was shaped by such progressive people as Everett Millard, Julius Rosenwald, Jens Jensen, Mary T. Watts, Jesse Lowe Smith and others. Their belief in protecting open space and providing recreation for all the people of Highland Park is as important today as it was 108 years ago -

The Park District was originally named the Highland Park East Park District. It was renamed the Park District of Highland Park in 1935. In 1973, the District began recreational programming. Today, the Park District manages over 700 acres of land, operates nine facilities, and offers nearly 3,000 recreation programs. Neighborhoods throughout Highland Park enjoy proximity and easy access to parks and open spaces that offer both the recreation and solitude that only nature, as noted by our early progressive leaders and naturalists, can provide.

Governance:

Today, a five-member volunteer Board of Commissioners establishes policy, strategic direction, and creates the ordinances that govern the Park District. Commissioners serve staggered terms of six years with elections every two years. The Board is responsible for the long-term direction of the Park District, elects Board officers, and appoints the Executive Director as well as the Park Board attorney and auditor. Each Commissioner serves as a liaison to the District's various internal and advisory committees. The Park Board meets on the fourth Tuesday of each month and generally holds a workshop (meeting of the whole) on the second Tuesday of each month.

President Brian Kaplan leads the present Park Board, Vice President Barnett Ruttenberg, and Commissioners Calvin Bernstein, Lori Flores Weisskopf, and Terry Grossberg.

Boundaries:

The Park District is located approximately 25 miles north of Chicago and serves the City of Highland Park, Fort Sheridan, a small portion of the Town of Fort Sheridan, and a small portion of the Village of Deerfield.

Population:

According to most recent available information, the Park District serves a population of approximately 30,000.

Demographics:	The Park District serves a highly educated (67% of residents have - post secondary degrees) community with a median household income of \$119,126 and a median age of 45.4 years. The Park District of Highland Park has approximately 13,000 housing units.
Real Estate:	The 2017 (tax year 2016) Equalized Assessed Valuation (EAV) of real estate is \$2,344,268,130.
Tax Rate:	The 2016 tax rate was \$.528764 per \$100 of assessed value
Fiscal Year Budget:	The fiscal year begins on January 1 and concludes on December 31. The total budget for 2018 is \$22.8 million. Capital improvement and repair budget of \$8.9 million, a debt retirement budget of \$3.0 million and a budget for inter-fund transfers of \$3.1 million.
Debt Rating:	The Park District holds an Aaa bond rating from Moody's Investor Services on its outstanding debt.
Park Resources:	The Park District owns and operates more than 700 acres of land in 44 park areas comprised of community parks, neighborhood parks, play lots, dog parks and passive parks. The Park District also assists other units of local government in maintaining their property.
Programs/Facilities:	<p>The Park District provides a full range of indoor and outdoor activities. Major recreation programs include summer camps, ice skating, athletics, preschool, and aquatics. All told, the Park District offers approximately 3,000 distinct programs. Park District annual events include summer concerts, annual egg hunt, Fourth of July Festival, a Halloween event, Touch a Truck, Father Daughter Dance, Autumn Fest, and a holiday train ride as well as many others.</p> <p>The Park District works with several affiliates to provide a wide range of opportunities and additional services in baseball, hockey, and martial arts. The Park District also sponsors the Highland Park Players and Highland Park Strings by providing space and financial support for their community wide productions.</p> <p>The Park District partners with other local governments such as the school districts which provide facilities for Park District use and in turn the Park District maintains many school outdoor spaces.</p>

Unique facilities include the Sunset Valley Golf Course, Deer Creek Racquet Club (tennis and racquetball), Centennial Ice Arena (includes gymnastics), Hidden Creek AquaPark, the Recreation Center of Highland Park, Heller Nature Center, Park Avenue Boat Launch, and Rosewood Beach. The amenities at the parks include 23 ball diamonds, 14 soccer fields, 39 playgrounds and outdoor tennis courts, and 9 miles of walking and bike trails.

The Park District is a vital part of the community and pays close attention to meeting the needs of all its residents. As the population changes, the Park District adjusts its program offerings and customer service to meet the changing needs, resulting in increased goodwill within the community.

The Park District is a member of the Northern Suburban Special Recreation Association (NSSRA) - providing recreational activities for residents with special needs.

Staff:

The Park District has an appointed Executive Director responsible to the Board of Commissioners for the administration of the District along with 81 full-time staff members. The District employs several hundred part-time, seasonal, and temporary employees as well as many volunteers in three Functions; **Administration** (which includes the Executive Director's support staff, Finance and Information Technology, Human Resources, and Communications & Marketing); **Parks**, and **Recreational Services**.

Affiliations:

The Park District of Highland Park is a member of the National Recreation and Parks Association (NRPA), Illinois Park and Recreation Association (IPRA), and the Illinois Association of Park Districts (IAPD).

Contact:

Park District of Highland Park, 636 Ridge Road, Highland Park, IL 60035. Phone 847-831-3810. Fax 847-831-0818. Email: info@pdhp.org



Park District of Highland Park
636 Ridge Road
Highland Park, Illinois 60035

January 23, 2018

Board of Commissioners
Park District of Highland Park
Highland Park, Illinois 60035

Dear Commissioners:

Following is the proposed 2018 budget for the Park District of Highland Park.

In preparing the 2018 Budget, staff was challenged to Think Differently, Operate Differently. The budget successfully strikes a balance between providing good value and quality facilities, programs and activities for our residents. While maximizing revenue opportunities with staff's continued commitment to reduce expenditures.

Throughout this report the operational shifts at the Highland Park Country Club is identified. The sale of the Highland Park Country Club Course between the City of Highland Park and the Park District will result in golf no longer begin offered at the facility. For 2018 operations will focus on the Golf Learning Center and Banquet operations.

Deer Creek Racquet Club is moving from a nine-month operation to a twelve-month operation. Expanding membership and lesson opportunities, while providing access to an air-conditioned tennis facility during the summer months.

All Departments refer to the budget as a planning and a management tool. The baseline of activity is evaluated during the course of the year to increase the likelihood that the Park District's mission is realized, and the District is enjoyed by residents.

2018 Budget Overview

The General, Special Recreation and Recreation Funds anticipate a combined operation surplus of \$2,178,063. Of that surplus \$1,550,000 will be transferred to the Capital Projects Fund and \$1,559,013 to Debt Service. Debt payments total \$3,077,363 while capital expenditures total \$8,961,414 resulting in a net deficit of \$7,252,836. This is a planned deficit as reserves are being used to support capital projects. The transfer of \$950,000 from Recreation Fund to the Capital Projects Fund follows the guidelines of the Fund Balance Policy.

Projects scheduled for 2018 - include completion of a joint Parks and Golf Maintenance facility, and Sunset Valley course and clubhouse. Purchasing the Highland Park Country Club course and planning for the conversion to a conservation based naturalized area. These initiatives take into consideration storm water management concerns, ADA compliance, and public need.

Using a 'as needed' approach to bonding, two issues were completed, one in 2016 and the other in 2017. Providing the District with funds to implement the first GreenPrint 2024 projects. With the projects fully refunded, there is no need to issue bonds during 2018. Receipts from the debt extension base will be accessed to support bond payments.

A summary of the budget:

- **2018 planned Deficit of \$7,252,836.**
- **Consolidated revenue** for the fiscal year ending 12/31/18 is **\$22.8M.**
- **Consolidated expenditures** for the fiscal year ending 12/31/18 are **\$30.0 million.**
- **Capital expenditures** are estimated to be **\$8.9 million.**
- **Tax support** for the 2018 fiscal year represents **57.4%** of total revenues.

Acknowledgements

The 2018 budget is a collaborative effort and involves the efforts of supervisors, managers, and support staff, throughout the District. The administration department, specifically the Finance Office, is responsible for its final preparation as well as the preparation, filing, and distribution of the Budget and Appropriations Ordinance. The Budget will be reviewed continuously during the year and could not have been accomplished without the efforts of Park District staff and the support of our Park Board Commissioners.

Respectfully submitted,

Liza McElroy
Executive Director
Park District of Highland Park

Annette Curtis
Director of Finance & IT
Park District of Highland Park

FUTURE PLANNING

The Park District of Highland Park is committed to be an excellent, accountable, ethical, and sustainable organization based on a strong commitment to its mission, vision, and values. As part of this commitment, the District utilizes two planning mechanisms to stay on course and achieve these goals- a long-term master plan and a short-term strategic plan. The plans work together to provide the District with a road map to exceed our resident and customers' expectations by delivering extraordinary experiences within our parks and facilities as well as through our programs and services.

GREENPRINT 2024

Adopted by the Board of Commissioners in December 2015, GreenPrint 2024 is the District's comprehensive master plan which represents a new vision for the District and will guide our future facility and program development decisions over the next ten years. A framework for investment in the park system over the next decade, GreenPrint 2024 will ensure that resources are aligned with current and future resident needs, community values, and the District's changing demographics. Planning and project initiatives that were identified in GreenPrint 2024 are the result of tremendous feedback generated from the community during this process.

Projects

GreenPrint 2024 identified two tracks of capital projects to be completed over 10 years.

Track One projects included in the 2018 Budget are:

- Sunset Valley Golf Course improvements (start 2016, completion 2018)
- Sunset Valley Clubhouse improvements (start 2017, completion 2018)
- Planning for Centennial Ice Arena lobby renovation. (starts 2018, completion 2019)

Track Two projects include in the 2018 Budget are:

- Conversion of the Highland Park County Club golf course into a new conservation based naturalized area (planning 2018, planting 2019)

Completion of the Parks Golf Maintenance building is included in the 2018 budget.

Planning and Operations Strategy

GreenPrint 2024 identified areas of planning and strategy development. Included in 2018 Budget are:

- Management of the Program- program life cycle
- Creation of efficiencies through technology
- Lakefront Master Planning
- Land management master planning

STRATEGIC PLAN 2016-2020

The Park District of Highland Park aspires to be an excellent, accountable, ethical, and sustainable organization based on its strong commitment to the District's mission, vision, and values. Reaching & sustaining these aspirations requires ongoing growth. In the coming year, the District will continue implementing the 2016-2020 Strategic Plan which provides the foundation for this growth. The plan was developed around four strategic themes:

- **Customer:** Maximize the Customer Experience
- **Operational:** Effective, Operational Excellence
- **Internal Business:** Unified and Engaged Work Culture
- **Financial:** Sustain Financial Health

The Park District developed a set of initiatives to assist in achieving the 16 objectives outlined in each theme. These objectives are supported by desired measures accomplished through completion of strategic initiatives (tasks). The Park District created cross-department staff committees charged with accomplishing each initiative within a specified timeline.

Objective Statements

Maximize the Customers Experience

Objective 1: Manage the Program Portfolio

Objective 2: Build/Brand a sense of Community

Objective 3: Create Lasting Impressions

Objective 4: Build a Customer Relationship Management Program

Effective, Operational Excellence

Objective 5: Improve Internal Communication

Objective 6: Create Effective Strategies for Employee Recruitment

Objective 7: Implement a User-Friendly Registration Process-completed 2017

Objective 8: Create Efficiencies through Innovative Technology

Objective 9: Create a Green Culture

Objective 10: Continue Innovative Integrated Marketing Systems

Unified and Engaged Work Culture

Objective 11: Create a Plan for Employee Growth and Development

Objective 12: Be the “Employer of Choice”

Objective 13: Integrate Core Values into the Work Culture

Sustained Financial Health

Objective 14: Implement Key Performance Measures

Objective 15: Implement Creative Strategies for Alternative Sources of Revenue

Objective 16: Identify Efficiencies to Reduce Expenses

OPERATIONS OVERVIEW

Fund Structure

The District, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. A fund is a grouping of related accounts that are utilized to maintain control over resources that have been segregated for specific activities or objectives. All funds of the District are reported as governmental funds.

General Fund is the general operating fund of the District. It accounts for all revenues and expenditures of the District which are not accounted for in other funds.

Recreation Fund and Special Recreation Fund are special revenue funds used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Debt Service Fund is used to account for the accumulation of funds for the periodic payment of principal and interest on general long-term debt.

Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities and replacement capital projects. Financial resources are acquired through bond issuance and budgeted transfers from operations which are to be used for improvements to existing park facilities, maintenance and upkeep of all parks and new capital endeavors.

Within the General and Recreation Funds, operations are further broken down into Centers. Each Center accounts for a specific operation of the District.

General Fund Includes:	Recreation Fund Includes:	
<ul style="list-style-type: none">• Administrative• Communications• Park Maintenance• Planning	<ul style="list-style-type: none">• Athletics• Camps• Centennial Ice Arena• Deer Creek Racquet Club• Heller Nature Center• Hidden Creek AquaPark• West Ridge Center• Park Avenue Beach	<ul style="list-style-type: none">• Recreation Center of HP• Rosewood Beach• Rosewood Interpretive Center• Special Events• Sunset Valley Golf Course• HPCC Golf Learning• HPCC Banquets

Revenues and expenditures are categorized by Type. Such as, program, camp, contractual or salaries. General ledger numbers are linked to specific Types. Most Types are a compilation of a numerous general ledger numbers. Throughout the budget, reports are presented by Type categorizes.

To provide readers with relevant information, the budget is also presented by Function. The Administration Function includes activity in the General Fund (less Parks), Special Recreation, Debt Service, and Capital Projects. The Parks Department is split from the General Fund and presented as its own function. The Recreation Fund is presented in its entirety as the Recreation Function.

Budget Guidelines, Process, Policies

Budget and Appropriation Ordinance

The Budget and Appropriation Ordinance appropriates the monies that are necessary to cover the projected expenditures and liabilities the District may incur in its next budget year. The ordinance must be passed and approved within or before the first quarter of each fiscal year and filed with the Lake County Clerk within 30 days of adoption. The ordinance is first prepared in tentative form and made conveniently available for public inspection for at least 30 days prior to final action. Copies of the ordinance will be available for public inspection at the Park District's administrative offices- West Ridge Center, 636 Ridge Avenue, Highland Park, IL 60035, the Highland Park Library and the District's web site, pdhp.org. The District Board of Commissioners must hold at least one public hearing regarding the ordinance before it can take any final action on it. Notice of the public hearing must be given in a newspaper published in the district at least one week prior. The public hearing can take place as a separate meeting (hearing) prior to the Board's regular meeting.

Along with a certified copy of the Budget and Appropriation Ordinance, the District includes anticipated revenue during the fiscal year covered by the ordinance. The District's -- Treasurer is responsible for certifying the revenue estimate. The ordinance outlines any probable expenditure of grant or development impact fees.

State law prohibits spending beyond the appropriations set forth in the ordinance at any time within the same fiscal year. After the first six months of the fiscal year, the Board of Commissioners has the authority to transfer items in any fund in the appropriation ordinance, with a two-thirds majority vote. Transfers cannot exceed 10% of the total amount appropriated for the fund or item that is having funds reallocated. The Board of Commissioners can amend the Budget and Appropriation Ordinance, using the same procedures followed when the ordinance was adopted.

As noted in Illinois Park District Law Handbook, Ancel, Glink, Diamond, Bush, DiCianni & Krafthefer, P.C. 5th Edition, published 2006

Budget Planning Process

Preparation of the 2018 Capital Replacement Plan (CRP) and Operating Budget run parallel to one another during the budget process. Planning for Park District's CRP began in the summer and resulted in a thoroughly researched list of project recommendations that are presented to the Board of Commissioners prior the budget presentation. The Capital Replacement Plan for 2018 summarizes operational projects that maintain facilities & parks along with projects that add new amenities desired by the community. The final CRP for the fiscal year is presented in the Capital section of this document.

Detailed budgeting for program and operational budgets began during the summer months. Departments met individually, developed their budgets, and entered the information into the Park District finance software. In September, staff met with their department heads, business office staff, and the Executive Director to finalize the draft document that was first presented to the Finance Committee and then to the Board of Commissioners at a Workshop Meeting scheduled December 5, 2017.

Public Meetings Schedule

DATE	MEETING/ACTION	MATTER
10/10	Workshop	Capital Budget Presented to Board
10/1-11/15	Business Office	Implements recommended changes
11/16	Budget Completed	Reviewed by Exc. Director and Staff
11/28	Finance Comm.	Budget Presentation
12/5	Workshop	Budget Presentation
1/8	Publication	Budget & Appropriations Hearing notice
1/23	Board Meeting	Pass 2018 Budget

Budgetary Control

Park District policy requires the District to adopt a balanced operating budget. Under normal conditions, operating expenditures are less than the non-debt related real estate taxes and fees for services. Surplus from operations primarily funds capital improvements. A deficit total budget, in which expenditures exceed revenues result only from discretionary spending approved by the Board of Commissioners for capital improvements. Which is the case for 2018. Any other budget deficit would require Board resolution.

The Park District uses a detailed line item budget for accounting expenditure control. Verification and approval of appropriation amounts occur prior to the expenditure. Each month, all individual account expenditures are compared to budget appropriations. To monitor budget performance, management receives monthly, year-to-date, and prior year reports detailing actual expenditures versus the budget. Expenditures are reviewed twice monthly by a designated Board Commissioner. Any amendments to or creation of financial policies are presented to the Finance Committee for approval and then presented to the entire Board of Commissioners for final approval.

Expenditure Accountability

Staff presents a monthly budget variance report to the Board. Throughout the year, Park District staff gives special presentations to the Board highlighting the activity of a specific program or facility. The Board is also provided updates on the Capital Improvement Plan.

Operations

A series of financial policies and procedures which adhere to modified accrual accounting standards outlines processes for financial planning, treatment of revenue streams and control of expenditures. Program fees and taxes are proposed each year to exceed general operating expenses. The resulting operating surplus along with excess unrestricted reserves and debt management comprise funding for the Park District's Capital Improvement Program (CRP). Capital improvements are discretionary spending, while operating expenses are driven by programs benefitting the community.

Salaries and Wages

In 2015, the District completed a review of its Compensation and Classification Study, which went into effect on January 1, 2016. As part of the budget process, a survey of comparable-entities is completed to help determine the merit pool for the District. The recommended increase is 3%. In addition, the survey includes information on salary ranges to determine if there is a need to adjust ranges. Based on the findings, there are no recommended adjustments to the ranges. A copy of the classification plan can be found in Appendix D. Finalized in 2017 a Part Time Compensation and Classification Study was completed. Similar to the Full-Time study, part time positions were classified by skill and pay ranges were defined. Both studies support the Employer of Choice strategic initiative.

Fund Balance Policy

The Park District intends to maintain a prudent level of financial resources, when possible, to protect against revenue shortfalls or unpredicted expenses. These levels are defined in the District's Fund Balance Policy and fund balances are expected to be maintained at a level of three to four months of budgeted expenditures.

Investment Policy

During the year, excess funds are held in insured or collateralized Certificates of Deposits, U.S. Government Securities, and Money Market accounts. The securities held by the Park District are consistent with its Investment Policy and are short-term in nature to provide operating cash as needed. The Park District's Investment Policy emphasizes safety of principal, authorized investments, and collateralization of deposits.

Long-Range Planning

The Park District values long-range planning. GreenPrint 2024, master plan provides guidance for future large capital improvements, program improvements, and operational improvements for the next 10-years. As projects are completed, GreenPrint 2024 will be reviewed and updated to reflect the District's changing needs.

Mid-Range Planning

Strategic Plan 2016-2020 outlines mid-range planning. Identifying initiatives or tasks to be completed by staff assigned committees. Completion of these initiatives will ensure completion of strategic goals. The purpose of which is the creation of a stronger park district, that provides desired programming, a strong work environment while being fiscally responsible.

Each year the District reviews and revises its five-year Capital Replacement Plan (CRP) that supplements the yearly budget to assist in determining future funding needs. The Board discusses the CRP based on program needs, community assessments, and an in-depth review of asset replacement schedules. Large expenditure projects are anticipated, planned for, and tracked against project budgets.

Asset Inventory

The Park District regularly updates and maintains its records of personal and real property owned. In 2013, the District undertook a massive inventory of all capital assets so that it may better evaluate its future needs in anticipation of GreenPrint 2024. Major capital assets, including recreation facilities, open recreation venues, and vehicle fleet is reviewed annually for repair proposals. Older facilities are reviewed to develop long-term plans for renovation or expansion.

Diversity of Revenue

A combination of user fees, sale of merchandise, interest income and taxes provide funds for services. Property tax is one of the major sources of revenue for general operations. Each year the Park District has the opportunity to increase its levy for taxes in its operating funds by the CPI or 5%, whichever is lower. 2018 (2017 tax year) CPI is 2.1%, there is a budgeted increase based on the CPI and new growth. The District has little or no control over the diversity of the tax base except to participate in tax incentives from the City or County to attract or retain business. Taxes are assessed twice per year- in late spring and midsummer.

The Park District charges fees for recreation activities and subscribes to a policy of varied fees for those services. Nonresidents may be charged a higher rate for participation. Program and activity fees are reviewed and adjusted as necessary to meet changing operating costs and/or market conditions. Staff may set fees higher than operating costs if there are additional indirect costs, such as operating maintenance, administrative overhead, and use of capital assets. Fees for programs that do not cover all costs are reviewed regularly by staff.

Infrequent Revenue

The Park District occasionally receives revenue that cannot be relied upon for ongoing funding. Examples are grants, contributions to capital projects and development impact fees. The District continually explores grant opportunities to help defray costs of eligible projects. If grants or contributions are designated for a specific project they are held for that project in the fund balance. It is important to note that one of the primary sources of grant revenue is the Open Space Land Acquisition and Development (OSLAD) program.

Other Revenue Opportunities

The Sponsorship Program for special events, and athletics has been redesigned and formalized. The Sponsorship Program will provide an opportunity for the District to build stronger relations with community businesses. While providing the sponsor with public facing opportunities.

The Parks Foundation of Highland Park, was the first GreenPrint 2024 initiative to be completed in 2016. The Foundation is organized as a not-for-profit corporation, guided by a three-member executive board, the primary purpose of the Foundation is to secure, manage and invest donations, gifts, and bequests in support of the District's programs, services, and facilities. For 2018, anticipated support from the Foundation will be focused on SMILE Grant-in-Aid. SMILE Grant-in-Aid supports participants who are experiencing economic difficulty, with participation scholarships.

Debt Issuance

The real estate tax base supports facility improvements, while program fees support recreation activities. Therefore, the costs associated with acquiring and improving long-term fixed assets are normally funded with the issuance of debt and/or surplus from operations. The Park District reviews its existing obligation structure and future liability levels before making decisions to issue new debt. If debt will be issued, a BINA (Bond Issue Notification Act) hearing will be held, notification of which will be published in the local paper, and posted on the District- website. An adopted ordinance authorizing the bond issuance will be approved at a Board meeting and filed with Lake County.

Forecasting

Forecasting starts with certain assumptions based on management's experience, knowledge, and judgement, and then is combined with current financial information to provide a projection of future operations. Throughout the year, as information such as the Comprehensive Annual Financial Report (CAFR), new legislation, or operational concerns become available forecasting models are updated for management. At the fund level, focusing on the interrelationship of operations and capital, models are updated to support staff in planning to ensure both short and long-term goals are met.

DEBT POSITION

Overview

Each year the District invests its capital resources in projects that will help maintain and/or improve existing infrastructure or fund new infrastructure. The Board of Commissioners adheres to a philosophy that facility improvements will be provided from the real estate tax base and program fees will support costs of operating the recreation activities. If there is an operational surplus after costs, the appropriate amount can be transferred to capital. Therefore, costs associated with acquiring and improving long-term fixed assets are met with the issuance of debt. The Park District reviews existing obligation structure, current and projected surplus from operations, and future liability levels before making decisions to issue new debt.

From 2011-2015, the District did not issued bonds to support capital improvement, providing the tax payer savings totaling over \$6.5 million. With the implementation of GreenPrint 2024 track one capital projects, General Obligation Bonds series 2016 & 2017 were issued. Real estate taxes received for debt retirement pass through the Debt Service Fund, supporting the 2016 & 2017 issuances. Interest payments will be made during June and December. Principal payments will be made in December.

Current General Obligation Bond Indebtedness

General Obligation Ltd Tax			
Refunding Debt Certificate 2012A		Maturity Date: December 15, 2023	
Principle Outstanding at 12/31/2018 \$4,615,000			
FISCAL YEAR	PRINCIPAL	INTEREST	TOTAL
2018	715,000	138,450	853,450
2019	735,000	117,000	852,000
2020	760,000	94,950	854,950
2021	780,000	72,150	852,150
2022	800,000	48,750	848,750

General Obligation Ltd Tax			
Debt Certificate 2013		Maturity Date: December 15, 2027	
Principle Outstanding at 12/31/2018 \$6,105,000			
FISCAL YEAR	PRINCIPAL	INTEREST	TOTAL
2018	540,000	166,363	706,363
2019	550,000	155,563	705,563
2020	560,000	144,563	704,563
2021	585,000	119,138	704,138
2022	600,000	105,975	705,975

General Obligation Ltd Tax			
Park Bonds Series 2016		Maturity Date: December 15, 2020	
Estimated Principle Outstanding at 12/31/2018 \$1,705,000			
FISCAL YEAR	PRINCIPAL	INTEREST	TOTAL
2018	555,000	45,600	600,600
2019	565,000	34,500	599,500
2020	585,000	17,550	602,550

General Obligation Ltd Tax			
Park Bonds Series 2017		Maturity Date: December 15, 2028	
Estimated Principle Outstanding at 12/31/2018 \$7,280,000			
FISCAL YEAR	PRINCIPAL	INTEREST	TOTAL
2018	630,000	252,875	882,875
2019	650,000	237,125	887,125
2020	380,000	220,875	600,875
2021	1,030,000	209,475	1,239,475
2021	1,030,000	209,475	1,239,475

Currently, the District has two debt certificates outstanding; General Obligation Limited Tax Refunding Debt Certificate 2012A and 2013. The 2012A certificate was issued to refund the 2004 and 2005 issuances that were put in place to assist with the construction of the Recreation Center in 2004-2005. The 2013 certificate was issued to replenish the capital projects fund when resources were used to pay down a debt with unfavorable terms.

The General Obligation Ltd Tax Park Bond Series 2016 & 2017 were issued to begin funding for GreenPrint 2024 projects. No debt will be issued during 2018.

The Park District has maintained an Aaa bond rating from Moody's Investors Service. Moody's cites a tax base characterized by above average wealth issues, sound financial operations bolstered by ample reserves, and a manageable debt position as reasons for the rating.

Debt Limit

The Park District's statutory debt limit is 2.875% of the Equalized Assessed Valuation of all taxable property located within the boundaries of the District. Bonds are not included in the computation of statutory indebtedness unless taxes levied to pay for such obligations are extended. All outstanding issues of the District are General Obligation Limited Park Bonds and therefore included in the calculation below.

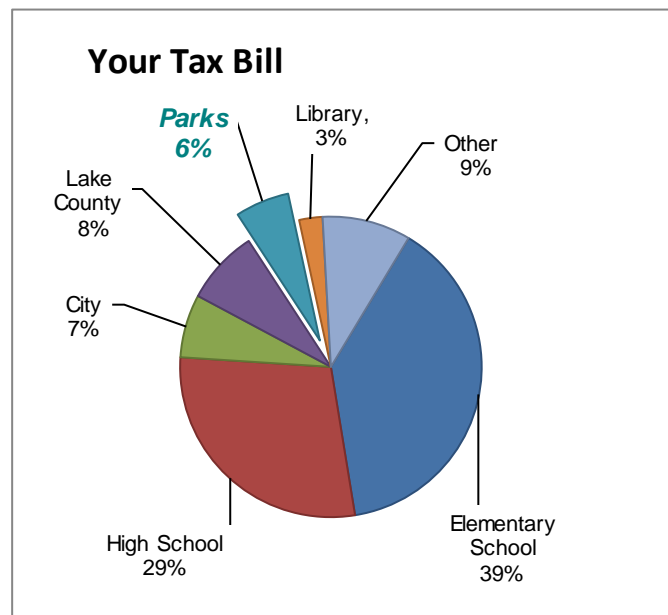
TAX FUNDING

The Levy Ordinance, which details the property tax request by fund, will be presented and approved by the Board of Commissioners on December 14, 2017. The District is subject to two sets of tax limits: **rate limits** on the maximum rates that can be levied for a particular purpose or fund and **tax caps**, which limit the aggregate increase in the levy to the lesser of 5% or the Consumer Price Index (CPI) excluding new construction.

On the following page is a 10-year history of the Park District's (EAV), levy extension, and tax rates. Rate information for budget year 2018, tax year 2017 is not included. The District will receive final levy information during the spring of 2018. The District's property tax collection rate has averaged in excess of 98% over the past 10 years (see 2016 CAFR for more detail).

By refraining from raising taxes from 2005-2010 the District's tax rate remained relatively flat and residents did not receive an increase. It was not until 2013 that the Special Recreation Fund was levied at the full .4 cents, this was done to support ADA improvements district wide. Beginning in 2016, the Debt Service Extension Base was accessed to support debt repayment associated with General Obligation Ltd Tax Park Bonds Series 2016. This was identified in the GreenPrint Plan as a funding mechanism.

For 2018, the budgeted tax revenue is \$11,431,707, which is greater than the prior year's extension by 4.9175% or \$535,807. This is essentially a cost of living increase based on the CPI 2.1%, while trying to capture new growth.



PROPERTY TAX RATE, EAV AND EXTENSION

LEVY YEAR	2006	2007	2008	2009	2010
EAV	2,543,789,626	2,712,949,269	2,819,017,917	2,741,900,593	2,587,013,944
LEVY EXTENSION	9,615,524	10,227,819	10,712,269	10,803,088	9,804,783
CORPORATE	0.0990	0.1000	0.1010	0.1030	0.1360
IMRF	0.0200	0.0190	0.0190	0.0220	0.0160
POLICE PROCETION	0.0070	0.0070	0.0090	0.0100	0.0110
AUDIT	0.0010	0.0010	0.0010	0.0010	-
LIABILITY INSURANCE	0.0210	0.0170	0.0160	0.0150	0.0080
SPECIAL RECREATION	0.0200	0.0250	0.0250	0.0240	0.0260
RECREATION	0.0750	0.0750	0.0770	0.0690	0.0740
RECREATION AND COMMUNTI\	0.0640	0.0650	0.0650	0.0820	0.0870
BONDS AND INTEREST	0.0530	0.0500	0.0480	0.0490	-
MUSEUM	0.0180	0.0180	0.0190	0.0190	0.0210
Total Rate	0.3780	0.3770	0.3800	0.3940	0.3790

LEVY YEAR	2011	2012	2013	2014	2015
EAV	2,354,383,357	2,190,455,395	2,089,605,407	2,079,639,753	2,206,882,564
LEVY EXTENSION	9,652,972	9,747,527	10,385,339	10,566,317	11,482,476
CORPORATE	0.1500	0.2560	0.1970	0.2924	0.2628
IMRF	0.0170	-	-	-	-
POLICE PROCETION	0.0120	-	-	-	-
AUDIT	-	-	-	-	-
LIABILITY INSURANCE	0.0090	-	-	-	-
SPECIAL RECREATION	0.0280	0.0180	0.0400	0.0400	0.0400
RECREATION	0.0810	0.1710	0.2600	0.1758	0.1835
RECREATION AND COMMUNTI\	0.0900	-	-	-	-
BONDS AND INTEREST	-	-	-	-	0.03
MUSEUM	0.0230	-	-	-	-
Total Rate	0.4100	0.4450	0.4970	0.5082	0.5203

CAPITAL

2018 expenditures are compiled from two sources, Capital Replacement Plan (CRP) and GreenPrint-Project Capital Review and are accounted for in the Capital Fund. CRP summarizes districtwide replacement needs for the next five years. As the first step of the budget process, Planning and Facility staff review the need of all facilities and parks, creating and updating repair and replacement schedules. Based on these schedules the CRP is compiled for the year and updated for the next five years.

Appendix A provides a detail listing of the 2018 replacement items that are included in budget. For informational purposes Appendix B provides a summarized schedule of replacement items over the next five years. GreenPrint projects budgeted during 2018, and the Parks/Golf Maintenance building project are summarized in Appendix C. Each project is summarized by project stage, completion date, and estimated costs. 2018 budget includes:

2018 Capital Expenditures	
HPPC Course Purchase	500,000
HPPC Course Conversion	220,000
Parks and Maintenance Building	1,051,613
Sunset Valley Course	545,000
Sunset Valley Club House	1,825,000
Replacement Capital (CRP)	4,822,801
Total	8,964,414

The park golf maintenance building will be completed during the first quarter of 2018. By combining the operation of both the Sunset Valley Golf Course and the district wide parks operation in one building, the district will realize considerable savings in construction costs and future efficiencies. This joint venture also takes the park operations out of a residential neighborhood.

Renovations of Sunset Valley's course, focus on improving the golfing experience. Upgrades include tees, greens, bunkers as well as overall infrastructure, drainage, and storm water management. The clubhouse was built in 1956, and upgrades will provide a new modernized building and outdoor space to better serve golfers and residents. The grand opening of the newly renovated Sunset Valley will occur in August 2018.

Planning for the conversion of the Highland Park Country Club from a golf course to a conservation based naturalized area will beginning in 2018. Community Attitude and Interest Surveys from 2009, and 2013 rank walking and bike trails as the number one need within the community. Conversion plans include connecting Skokie River Woods and Route 22 to Park Avenue through walking and biking trails. Synergy with Recreation Center of Highland Park offer the opportunity to integrate indoor and outdoor fitness activities.

2018 BUDGET ANALYSIS

Budget Overview

The 2018 Budget is presented in three different formats:

- Consolidated by Fund
- District Wide Comparison to 2017 projected year end
- Detailed review by Function

Overall, the 2018 Budget represents a net planned deficit of \$7,252,836.

- Net Operations \$4.3 million
Operating Revenue \$22.8 million
Operating Expenditures \$18.3 million
- Debt Extension \$1.5 million
- Debt Retirement \$3.1 million
- Capital Improvements \$8.9 million
- Inter Fund Transfers \$3.1 million

Core offerings, such as programs, camps, membership, fees, rentals and lessons are the driving operational force and provide revenue to help support programs and services. As the district moves away from operating the Highland Park Country Club operation revenue is decreasing by 6% as compared to projected year end 2017. Revenue generated through Park District programming is lessening the overall decrease.

Compared to projected year end 2017, expenditures have decreased by 9% even as some expenditures have increased for budget year 2018.

Table #1

PROPOSED 2018 BUDGET BY FUND

Presented in a similar format as the CAFR

	General	Recreation	Special Recreation	Debt Service	Capital Projects	Total
Revenue						
TAX	5,126,000	5,490,000	941,707	1,514,550	-	13,072,257
PROGRAMS	-	3,034,812	-	-	-	3,034,812
CAMPS	-	1,549,078	-	-	-	1,549,078
LESSONS	-	346,685	-	-	-	346,685
SPECIAL EVENTS	-	108,288	-	-	-	108,288
FEES & CHARGES	39,326	1,230,973	-	-	-	1,270,299
MEMBERSHIPS	-	1,717,654	-	-	-	1,717,654
RENTALS	60,000	1,203,618	-	-	-	1,263,618
MERCHANDISING	120	66,345	-	-	-	66,465
INTEREST INCOME	105,000	-	-	-	-	105,000
MISCELLANEOUS INCOME	99,700	93,700	-	-	-	193,400
OTHER INCOME	12,735	24,645	-	-	-	37,380
Revenue Total	5,442,881	14,865,797	941,707	1,514,550	-	22,764,935
Expenditures						
PROGRAMS	-	1,647,114	-	-	-	1,647,114
CAMPS	-	882,710	-	-	-	882,710
LESSONS	-	159,168	-	-	-	159,168
SPECIAL EVENTS	-	214,265	-	-	-	214,265
SALARIES & WAGES	2,744,517	4,792,734	-	-	-	7,537,251
CONTRACTUAL SERVICES	1,001,400	1,071,187	394,841	-	429,500	2,896,928
INSURANCE	1,214,730	884,773	-	-	-	2,099,503
MATERIALS & SUPPLIES	248,263	340,707	-	-	-	588,970
MAIN. & LANDSCAPE	115,198	320,155	-	-	-	435,353
UTILITIES	123,663	856,956	-	-	-	980,619
PENSION CONTRIBUTIONS	377,135	534,234	-	-	-	911,369
COST OF GOODS SOLD	-	26,546	-	-	-	26,546
DEBT RETIREMENT	-	-	-	3,077,363	-	3,077,363
CAPITAL OUTLAY	-	28,700	-	-	8,531,914	8,560,614
Expenditure Total	5,824,905	11,759,249	394,841	3,077,363	8,961,414	30,017,771
	(382,024)	3,106,548	546,866	(1,562,813)	(8,961,414)	(7,252,836)
Other Financing						
DEBT ISSUANCE					-	-
OPERATING TRANSFERS IN				1,559,013	1,550,000	3,109,013
OPERATING TRANSFERS OUT	(623,605)	(1,885,408)	(600,000)			(3,109,013)
NET SURPLUS (DEFICIT)	(1,005,629)	1,221,140	(53,134)	(3,800)	(7,411,414)	(7,252,836)

Table #1: Funds are identified as Major and Non-Major, in accordance with the classification presented in the District's audited financial statements or Comprehensive Annual Financial Report (CAFR). Major Funds include General, Recreation, and Debt Service. The only Non-Major fund is the Special Recreation Fund.

Table #2 **PROPOSED 2018 BUDGET BY FUND**

Fund Balance Projection as of December 31, 2018

	General	Recreation	Special Recreation	Debt Service	Capital Projects	Total
Estimated Fund Balance 1/1/2018	2,474,797	4,296,299	234,745	169,766	12,228,134	19,403,741
REVENUES	5,442,881	14,865,797	941,707	1,514,550	0	22,764,935
EXPENDITURES	5,824,905	11,759,249	394,841	3,077,363	8,961,414	30,017,771
DEBT ISSUANCE						
TRANSFERS	-623,605	-1,885,408	-600,000	1,559,013	1,550,000	0
Estimated Fund Balance 12/31/2018	1,469,168	5,517,439	181,611	165,967	4,816,720	12,150,905
Fund Balance Policy						
25% of Budget Expenditures	1,456,226	2,939,812	98,710	-	-	-

Table #2: Figures presented above include the District's estimated beginning fund balance as of January 1, 2018, the start of the budget period. This balance is combined with proposed revenues, expenditures and transfers, estimating the ending fund balance as of December 31, 2018.

The Park District's philosophy is to maintain a principal operating fund balance equal to approximately 3 months (25%) of annual expenditures. Any excess fund balance is transferred, by Board Resolution, to the Capital Projects Fund.

Table #3

DISTRICT WIDE BUDGET COMPARISON

	2016 Total Activity	2017 Total Budget	2017 Projected Year	2018 Total Budget		2018 Budget vs 2017 Proj.	% Change
Revenue							
TAX	11,614,539	12,510,393	12,560,646	13,072,257	57.4%	511,611	4%
PROGRAMS	2,926,640	3,031,168	2,936,341	3,034,812	13.3%	98,471	3%
CAMPS	1,454,746	1,558,042	1,438,145	1,549,078	6.8%	110,933	8%
LESSONS	295,657	325,586	312,921	346,685	1.5%	33,764	11%
SPECIAL EVENTS	127,553	129,003	97,092	108,288	0.5%	11,196	12%
FEES & CHARGES	1,889,228	1,385,132	1,231,509	1,270,299	5.6%	38,790	3%
MEMBERSHIPS	1,688,652	1,752,592	1,683,168	1,717,654	7.5%	34,486	2%
RENTALS	1,585,473	1,405,438	1,418,732	1,263,618	5.6%	(155,114)	-11%
MERCHANDISING	1,010,941	1,117,345	1,100,908	66,465	0.3%	(1,034,443)	-94%
INTEREST INCOME	152,358	105,332	120,849	105,000	0.5%	(15,849)	-13%
MISCELLANEOUS INCOME	608,084	377,648	667,921	193,400	0.8%	(474,521)	-71%
OTHER INCOME	75,459	3,000	543,711	37,380	0.2%	(506,331)	-93%
Revenue Total:	23,429,329	23,700,679	24,111,943	22,764,935		(1,347,007)	-6%
Expenditure							
PROGRAMS	1,739,875	1,676,042	1,608,829	1,647,114	5.5%	38,285	2%
CAMPS	804,096	905,598	859,273	882,710	2.9%	23,437	3%
LESSONS	151,704	134,584	153,886	159,168	0.5%	5,282	3%
SPECIAL EVENTS	224,070	232,167	229,562	214,265	0.7%	(15,297)	-7%
SALARIES & WAGES	6,896,533	7,370,987	6,848,025	7,537,251	25.1%	689,226	10%
CONTRACTUAL SERVICES	4,069,999	4,378,616	5,680,445	2,896,928	9.7%	(2,783,517)	-49%
INSURANCE	1,830,994	2,055,743	1,927,560	2,099,502	7.0%	171,942	9%
MATERIALS & SUPPLIES	671,007	650,761	606,597	588,971	2.0%	(17,626)	-3%
MAIN. & LANDSCAPE	519,071	538,250	448,986	435,353	1.5%	(13,633)	-3%
UTILITIES	873,359	927,015	883,025	980,619	3.3%	97,594	11%
PENSION CONTRIBUTIONS	753,059	923,578	863,370	911,369	3.0%	47,999	6%
COST OF GOODS SOLD	336,724	348,564	344,927	26,546	0.1%	(318,381)	-92%
DEBT RETIREMENT	2,304,572	3,042,785	3,042,785	3,077,363	10.3%	34,578	1%
CAPITAL OUTLAY	2,135,135	14,166,876	9,356,588	8,560,614	28.5%	(795,974)	-9%
Expenditure Total	23,310,199	37,351,567	32,853,858	30,017,772		(2,836,086)	-9%
	119,131	(13,650,887)	(8,741,915)	(7,252,837)		1,489,078	-17%
Other Financing							
DEBT ISSUANCE	2,937,241	9,000,000	8,635,000	-			
OPERATING TRANSFER IN	2,595,863	3,255,513	3,255,513	3,109,013			
OPERATING TRANSFER OUT	(2,595,863)	(3,255,513)	(3,255,513)	(3,109,013)			
Net Surplus (Deficit)	3,056,372	(4,650,887)	(106,915)	(7,252,837)			

Table #3: The 2018 budget information will be reviewed on a district-wide basis by revenues and expenditures, then in more detail based on Functional Activity, as defined above.

Table #4

CONSOLIDATED REVENUE ANALYSIS

	2016 Total		2017		2017		2018		2018 Budget		%
	Activity		Total Budget		Projected Year		Total Budget		vs 2017 Proj.		Change
Revenue											
TAX	11,614,539	49.6%	12,510,393	52.8%	12,560,646	52.1%	13,072,257	57.4%	511,611	4%	
PROGRAMS	2,926,640	12.5%	3,031,168	12.8%	2,936,341	12.2%	3,034,812	13.3%	98,471	3%	
CAMPS	1,454,746	6.2%	1,558,042	6.6%	1,438,145	6.0%	1,549,078	6.8%	110,933	8%	
LESSONS	295,657	1.3%	325,586	1.4%	312,921	1.3%	346,685	1.5%	33,764	11%	
SPECIAL EVENTS	127,553	0.5%	129,003	0.5%	97,092	0.4%	108,288	0.5%	11,196	12%	
FEES & CHARGES	1,889,228	8.1%	1,385,132	5.8%	1,231,509	5.1%	1,270,299	5.6%	38,790	3%	
MEMBERSHIPS	1,688,652	7.2%	1,752,592	7.4%	1,683,168	7.0%	1,717,654	7.5%	34,486	2%	
RENTALS	1,585,473	6.8%	1,405,438	5.9%	1,418,732	5.9%	1,263,618	5.6%	(155,114)	-11%	
MERCHANDISING	1,010,941	4.3%	1,117,345	4.7%	1,100,908	4.6%	66,465	0.3%	(1,034,443)	-94%	
INTEREST INCOME	152,358	0.7%	105,332	0.4%	120,849	0.5%	105,000	0.5%	(15,849)	-13%	
MISCELLANEOUS INCOME	608,084	2.6%	377,648	1.6%	667,921	2.8%	193,400	0.8%	(474,521)	-71%	
OTHER INCOME	75,459	0.3%	3,000	0.0%	543,711	2.3%	37,380	0.2%	(506,331)	-93%	
Revenue Total:	23,429,329	100%	23,700,679	100%	24,111,943	100%	22,764,935	100.0%	(1,347,007)	-6%	

Closing golf operations at Highland Park Country Club has resulted in a decrease in overall revenue of \$1,347,000 or 6% as compared to projected 2017. The Learning Center will be operated by Park District Staff, while the banquet area will be outsourced. Operational changes at the Country Club are evident in Rentals, Merchandising and Miscellaneous Income. In each area, budgeted 2018 revenue is lower than projected year end 2017.

Sunset Valley will open August 2018, 4 months of operational revenue has been budgeted.

OSLAD (Open Space Lands Acquisition and Development Program) is a state-financed grant program. Monies outstanding from Rosewood Beach were received in 2017 and accounted for in Other Income. No such monies are outstanding in 2018.

Where appropriate, camp curriculum was refreshed to provide an updated experience. Resulting in a budgeted increase of 110,833 or 8% compared to projected year end 2017.

In the aquatic area, lesson programming is focused on growth. Deer Creek Racquet Club's move to a yearly facility, also creates opportunity for additional lessons. Together, 2018 budgeted Lesson revenue is increasing by \$33,764 or 11% as compared to projected 2017.

Memberships at Recreation Center of Highland Park and Deer Creek Racquet Club are budgeted to increase by 34,486 or 2%. Deer Creek's move to a yearly operation creates new membership opportunities. While the newly renovated Recreation Center of Highland Park is attracting new members.

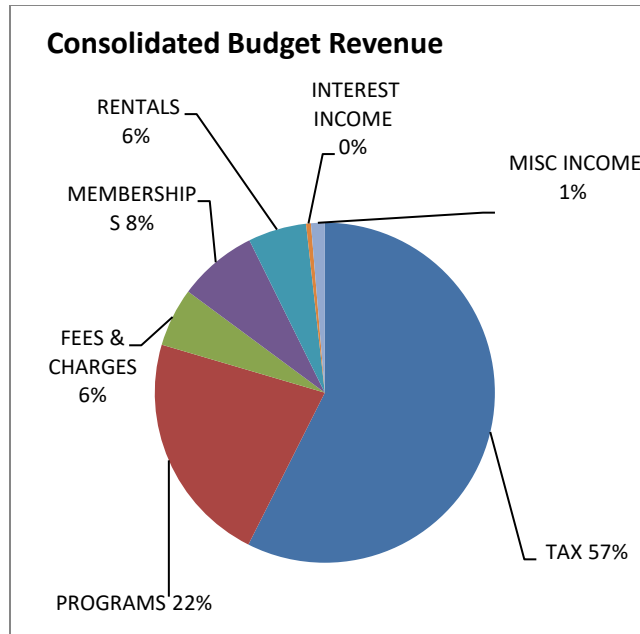


Table #5 **CONSOLIDATED EXPENDITURE ANALYSIS**

	2016 Total		2017		2017		2018		2018 Budget	
	Activity		Total Budget		Projected Year		Total Budget		vs 2017 Proj. Change	
Expenditure										
PROGRAMS	1,739,875	7.5%	1,676,042	4.5%	1,608,829	4.9%	1,647,114	5.5%	38,285	2%
CAMPS	804,096	3.4%	905,598	2.4%	859,273	2.6%	882,710	2.9%	23,437	3%
LESSONS	151,704	0.7%	134,584	0.4%	153,886	0.5%	159,168	0.5%	5,282	3%
SPECIAL EVENTS	224,070	1.0%	232,167	0.6%	229,562	0.7%	214,265	0.7%	(15,297)	-7%
SALARIES & WAGES	6,896,533	29.6%	7,370,987	19.7%	6,848,025	20.8%	7,537,251	25.1%	689,226	10%
CONTRACTUAL SERVICES	4,069,999	17.5%	4,378,616	11.7%	5,680,445	17.3%	2,896,928	9.7%	(2,783,517)	-49%
INSURANCE	1,830,994	7.9%	2,055,743	5.5%	1,927,560	5.9%	2,099,502	7.0%	171,942	9%
MATERIALS & SUPPLIES	671,006	2.9%	650,761	1.7%	606,597	1.8%	588,971	2.0%	(17,626)	-3%
MAIN. & LANDSCAPE	519,071	2.2%	538,250	1.4%	448,986	1.4%	435,353	1.5%	(13,633)	-3%
UTILITIES	873,359	3.7%	927,015	2.5%	883,025	2.7%	980,619	3.3%	97,594	11%
PENSION CONTRIBUTIONS	753,059	3.2%	923,578	2.5%	863,370	2.6%	911,369	3.0%	47,999	6%
COST OF GOODS SOLD	336,724	1.4%	348,564	0.9%	344,927	1.0%	26,546	0.1%	(318,381)	-92%
DEBT RETIREMENT	2,304,572	9.9%	3,042,785	8.1%	3,042,785	9.3%	3,077,363	10.3%	34,578	1%
CAPITAL OUTLAY	2,135,135	9.2%	14,166,876	37.9%	9,356,588	28.5%	8,560,614	28.5%	(795,974)	-9%
Expenditure Total	23,310,198	100.0%	37,351,566	100.0%	32,853,858	100.0%	30,017,772	100.0%	(2,836,086)	-9%

The 2018 consolidated budget captures all budgeted expenditures of the District including capital projects. This document provides a summary of the capital projects slated for the 2018 budget year in Appendix A.

As is typically the case, salaries (25.1%), Contractual Services (9.7%), Debt Retirement (10.3%) and capital (28.5%) represent the largest individual costs to the District.

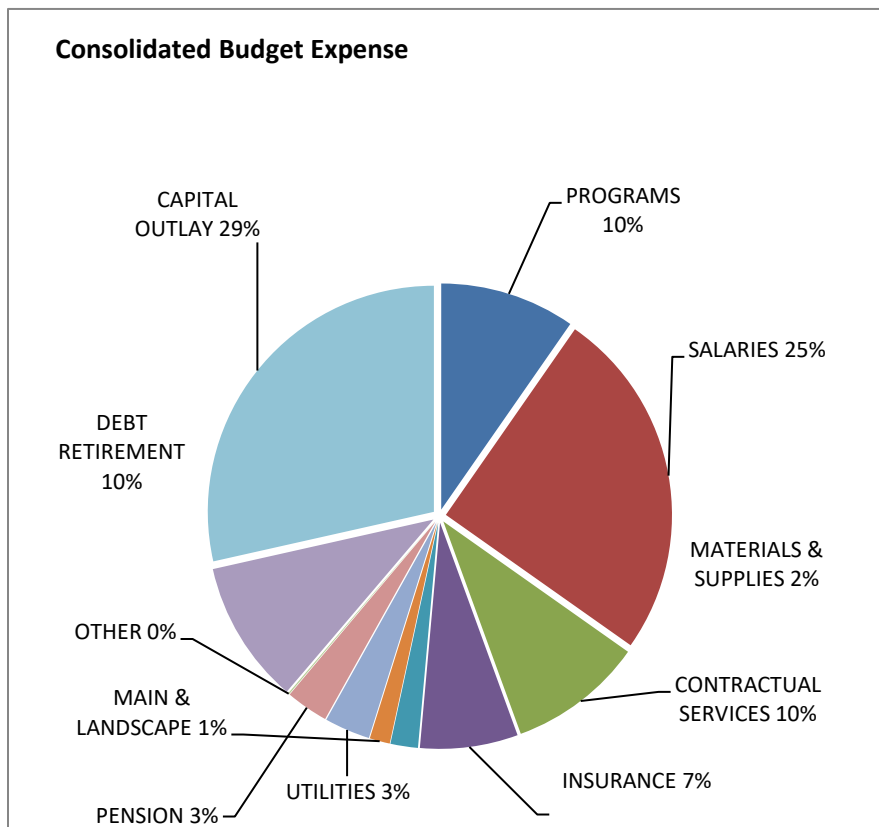
Salaries in 2018 will increase by 689,226 or 10% as compared to projected 2017. This is due in large part by the District's effort to be fully staffed in 2018, throughout 2017 the District was not fully staffed. In addition to salaries, full staffing also increases associated health insurance and pension expenditures.

Contractual Services which makes up a large portion of the operating budget is decreasing by 2,783,517 or 49% as compared to 2017 projected year end. Highland Park Country Club salaries plus benefits, management fees, and third party contractual services are account for in this line item. Closing golf operations is the major factor in the decrease. Cost of Goods Sold is decreasing by \$318,381 or 92% as

the third-party vendor operating the banquet portion of the country club will be responsible for purchasing supplies.

The insurance line item represents a compilation of health insurance (83%) and property/casualty (17%) of the total expenditure. After not increasing in 2017, Health Insurance premiums are increasing by only 4%. Changes such as staffing and employee selection also effect insurance costs. Premiums associated with property/casualty coverage are decreasing. Increase or decreases in premiums are a direct result of increases and decreases in expenditures. This is based on a two-year cycle. 2018 rates are based on 2016 expenditures, resulting in a decrease. Insurance expenditures are continuously monitored, and the District remains committed to keeping them under control.

As a result of full staffing, and IMRF investment returns, annual pension costs have increased by 6%. 2018 contribution rate is 4.84 % compared to 2017 4.79%.



FUND TRANSFERS

2018 Budget includes the following transfers between funds

- \$623,605 from the General Fund to Debt Service - for payment of Debt Certificate 2012, 2013
- \$935,408 from the Recreation Fund to Debt Service - for payment of Debt Certificate 2012, 2013
- \$950,000 from the Recreation Fund to Capital - as directed by the Fund Balance Policy
- \$600,000 from the Special Recreation to Capital - for the ADA portion of capital projects

ANALYSIS BY FUNCTION

For purposes of this document, the Administration Function includes activity in the General Fund (less Parks), Special Recreation, Debt Service, and Capital Projects Fund. The Parks Department is split from the General Fund and presented as its own function. The Recreation Fund is presented in its entirety as the Recreation Function.

Table # 6 PROPOSED 2018 BUDGET BY FUNCTION

	Administration Function	Parks Function	Recreation Function	Total Function
Revenues	7,857,492	41,646	14,865,797	22,764,935
Expenditures	15,430,615	2,827,907	11,759,249	30,017,771
Surplus/Deficit	-7,573,123	-2,786,261	3,106,548	-7,252,836

ADMINISTRATION FUNCTION

General Responsibilities

The Administration Function is responsible for the management of the District's short and long-term planning, development, financial, human resources, risk management, information systems and marketing and communications activities. The Administration budget includes property tax receipts, grants, development impact fees, and investment income. Expenditures include administrative, operating, and support expenses. Administration is also responsible for membership in the Special Recreation Association (Special Recreation Fund), debt management (Debt Service Fund), and costing/managing large capital projects (Capital Projects Fund).

Administration develops, recommends, and implements policies and procedures and acts as the primary liaison with the elected Board of Commissioners in setting financial priorities and is responsible for adhering to the Open Meetings Act and Freedom of Information Act requirements. Administration prepares, maintains, and files official Park District records, ordinances, and resolutions in accordance with applicable statutes.

PLANNING

Planning involves strategic planning, and feasibility studies such as land management and park usage. Incorporating new trends into development to encourage intergeneration recreation and physical activity. Interagency coordination with local, and county governmental agencies. Developing and managing implementation of the portions of the CRP, such as asphalt repair, or park equipment replacement. Searching out and researching grant opportunities that support capital improvements and operations. Overseeing the ADA transition plan and incorporating ADA requirement in all new building. Planning staff also manages all-natural area acreage with the assistance of a volunteer crew.

FINANCE

Finance is responsible for all aspects of accounting, finance, payroll processing, registration, and record-keeping for the Park District. Staff implements effective control of receipts and disbursements; reviews and monitors debt management procedures; protects cash and assets through sound internal control and invests surplus funds to earn a market rate of return and ensure preservation of capital. The department controls the District's financial records in compliance with the Local Government Records Act. District wide registration including maintaining both the inhouse and website registration systems is the responsibility of staff.

INFORMATION TECHNOLOGY (IT)

The IT Department maintains all centralized voice, security, and network infrastructure and end-user technologies. IT coordinates all software and hardware purchases and implementation, as well as maintenance of a secure computer environment with reliable usable data. IT also provides strategic support in developing data analytics and serves as principal design and support for multimedia throughout the District.

IT staff is responsible for management of District's telephone communications and voice mail systems, photocopier purchases (leases) and maintenance contracts and security systems of the District including the door locks, keyless entry, alarm, and camera systems.

HUMAN RESOURCES (HR)

HR develops, implements, and communicates benefit programs and policies including health and life insurance, workers' compensation, retirement plans, employee assistance, employee recognition, unemployment insurance, supplemental retirement compensation, vacation, sick time, and all other benefits.

HR develops and administers the compensation management programs for full-time exempt and non-exempt personnel. Monitors documented time for compliance with the Fair Labor Standards Act and other satisfactory internal controls. The department also develops, implements, and communicates personnel policies and procedures to the Park District staff.

RISK MANAGEMENT

Risk Management works with the HR department and coordinates the District-wide loss reduction programs in cooperation with the Park District Risk Management Agency (PDRMA). This includes employee on-the-job safety through education, training, physical assessment, and accident prevention.

MARKETING AND COMMUNICATIONS DEPARTMENT

The Marketing and Communications Department is responsible for development and execution of all District marketing, messaging, publicity, media outreach, public relations, social media, video production, market research/analytics, advertising, sponsorships, signage, creative development, collateral and programming brochure production, and promotional strategies. Staff conducts market analysis develops marketing opportunities, and serves as liaison to several community partners. The department oversees the District website, social media sites and marketing plans in addition to maintaining District graphic standards, including branding and logo identity.

SPECIAL RECREATION

The Special Recreation Fund was established to account for the funds used to provide recreational opportunities to those with disabilities.

The Northern Suburban Recreation Association (NSSRA) is an intergovernmental partnership of ten park districts, two cities and one village in the northern suburban area of Chicago. NSSRA provides and facilitates year-round recreation programs and services for children and adults with disabilities who live in the partner communities. Each of the agencies served by NSSRA levy funds to support its operation. The twelve agencies served by NSSRA are: Deerfield, Glencoe, Glenview, Highland Park, Kenilworth, Lake Bluff, Northbrook, Northfield, Wilmette, and Winnetka Park Districts, the City of Lake Forest and the Village of Riverwoods.

The Budget for the Special Recreation Fund includes the Member Agency Contribution (MAC) which provides a significant portion of the operating revenue for NSSRA, funding for specially trained companions to assist those with special needs who participate in Park District of Highland Park programs (inclusion services) as well as funding for facility improvements to make them accessible under the terms of the American with Disabilities Act.

Table #7

ADMINISTRATION FUNCTION

	2016 Total Activity	2017 Total Budget	2017 Projected Year	2018 Total Budget		2018 Budget vs 2017 Proj.	% Change
Revenue							
TAX	7,569,597	7,560,393	7,652,452	7,582,257	96.5%	(70,195)	-1%
RENTALS	55,000	55,000	66,200	60,000	0.8%	(6,200)	-9%
INTEREST INCOME	152,358	105,332	120,849	105,000	1.3%	(15,849)	-13%
MISCELLANEOUS INCOME	393,515	97,500	605,711	110,235	1.4%	(495,476)	-82%
Revenue Total:	8,170,471	7,818,225	8,445,212	7,857,492		(587,720)	-7%
Expenditure							
SALARIES & WAGES	1,085,735	1,134,281	1,120,563	1,177,519	7.6%	56,956	5%
CONTRACTUAL SERVICES	1,354,669	1,616,607	3,099,015	1,582,484	10.3%	(1,516,531)	-49%
INSURANCE	646,759	723,905	698,053	720,272	4.7%	22,218	3%
MATERIALS & SUPPLIES	44,269	55,326	57,200	70,954	0.5%	13,754	24%
MAIN. & LANDSCAPE	12,162	19,850	15,315	54,800	0.4%	39,485	258%
UTILITIES	60,109	25,112	61,243	30,679	0.2%	(30,563)	-50%
PENSION CONTRIBUTIONS	135,522	168,892	147,330	184,631	1.2%	37,301	25%
DEBT RETIREMENT	2,304,572	3,042,785	3,042,785	3,077,363	19.9%	34,578	1%
CAPITAL OUTLAY	2,127,724	14,127,626	9,328,438	8,531,914	55.3%	(796,524)	-9%
Expenditure Total	7,771,522	20,914,384	17,569,942	15,430,615		(2,139,327)	-12%
	398,950	(13,096,159)	(9,124,730)	(7,573,123)		1,551,607	-17%
Other Financing							
DEBT ISSUANCE	2,937,241	9,000,000	8,635,000	-			
OPERATING TRANSFER IN	2,595,863	3,255,513	3,255,513	3,109,013			
OPERATING TRANSFER OUT	(709,045)	(1,372,205)	(1,372,205)	(1,223,605)			
Net Surplus (Deficit)	5,223,009	(2,212,851)	1,393,578	(5,687,715)	-	1,551,607	0

Table #7: ADMINISTRATIVE FUNCTION BUDGET HIGHLIGHTS:

Revenue

Compared to projected year end 2017, 2018 total tax revenue is budgeted to decrease by \$70,195 or 1% as tax dollars are allocated to Recreation.

During 2017, \$400,000 was received from the OSLAD program and posted to miscellaneous revenue.

Receipt of this unbudgeted item caused, this line item to be over budget for 2017.

Salary and Wages

Employee wages are expected to increase by 5% or \$56,956 in 2018 compared to 2017 projected.

Wages are budgeted to increase by 3% based on the District's merit pool. During 2017 an open position in the Planning department was filled. The district has filled three positions within the Parks Function, a portion of those salaries are allocated to the Administration Function.

Contractual Services

With the completion of numerous capital projects professional fees are decreasing for 2018. The administration function has budgeted \$1,582,484 in 2018 which is approximately \$1,500,00 or 49% less than projected year end 2017. Included in this line item are such items as professional services related to capital projects, legal fees related to debt issuance, and investment advisors. Also included in contractual services are expenditures for Northern Suburban Special Recreation Association (NSSRA).

Insurance

Premiums associated with property/casualty insurance which are decreasing by 2.27% are solely accounted for in the Administration Function. Adjustments to health insurance due to staffing or selection changes are offsetting the decrease, resulting in a net change of 3% or \$22,218.

Maintenance and Landscaping

Every 5 years, district wide sprinkler tests are performed. During 2018 this testing will occur and is budgeted at \$32,500. Accounted for in the Administration Function, resulting in a 258% increase as compared to projected year end 2017.

Special Recreation

NSSRA member contribution is budgeted at \$294,979, and the inclusion fee is \$82,448. \$600,000 will be transferred from Special Recreation to support capital projects and the ADA transition plan.

PARKS FUNCTION

The mission of the Parks Department is to provide safe, well-maintained recreation areas to meet the Park District of Highland Park's resident needs and - provide support to other District departments.

The Parks Department is responsible for general maintenance and upkeep of all District park areas (including lake front parks) and facilities, with the exception of the Sunset Valley Golf Course. This includes, but is not limited to turf, trees, shrubs, and landscape areas, including those areas belonging to other local government agencies. Maintenance also includes athletic field preparation. The Parks Department responds to service requests for work at facilities for electrical work and other minor repairs. The Parks Department is also responsible for maintaining the District's fleet and equipment and for specialty maintenance such as pest/vegetation control, snow removal, the outdoor ice rink, and special event support.

During the first quarter of 2018 "POGO" the new centralized Parks and Golf Operations Center will be completed. The new facility will replace both the Golf Maintenance Facility and the District's Parks Maintenance Facility. POGO is located on the west side of the Sunset Valley Golf Course on Fredrickson. This location moves the Parks building out of a residential neighborhood, while providing easy access to the park system. Due to age, both facilities were inefficient and inadequate for the current and future need of the Park District. Combining operations reduces overhead costs by one building, and provides opportunities for shared equipment, cost savings with purchasing and staffing.

Table #8

PARKS FUNCTION

	2016 Total Activity	2017 Total Budget	2017 Projected Year	2018 Total Budget		2018 Budget vs 2017 Proj.	% Change
Revenue							
FEES & CHARGES	35,372	33,500	36,700	39,326	94.4%	2,626	7%
MERCHANDISING	356	240	43	120	0.3%	77	179%
MISCELLANEOUS INCOME	8,037	250	2,450	2,200	5.3%	(250)	-10%
Revenue Total:	43,765	33,990	39,193	41,646		2,453	6%
Expenditure							
SALARIES & WAGES	1,337,222	1,546,345	1,335,865	1,566,998	55.4%	231,133	17%
CONTRACTUAL SERVICES	153,583	208,484	204,381	243,257	8.6%	38,876	19%
INSURANCE	360,950	436,692	436,692	494,458	17.5%	57,766	13%
MATERIALS & SUPPLIES	174,693	193,111	169,890	177,310	6.3%	7,420	4%
MAIN. & LANDSCAPE	54,683	69,010	66,351	60,398	2.1%	(5,953)	-9%
UTILITIES	62,313	72,604	72,604	92,983	3.3%	20,379	28%
PENSION CONTRIBUTIONS	147,796	197,816	197,816	192,504	6.8%	(5,312)	-3%
CAPITAL OUTLAY	-	-	-	-	0.0%	-	-
Expenditure Total	2,291,240	2,724,062	2,483,599	2,827,908		344,309	14%
	(2,247,475)	(2,690,072)	(2,444,406)	(2,786,262)		(341,856)	14%
Surplus (Deficit)	(2,247,475)	(2,690,072)	(2,444,406)	(2,786,262)	-	(341,856)	(0)

Table #8: PARKS FUNCTION BUDGET HIGHLIGHTS

Revenue

Revenue primarily reflects the sale of permits for the use of picnic shelters and dog licenses, which is included in Fees and Charges.

Salaries and Wages

The bulk of wages budgeted in the Parks Department are for full-time, part-time, and seasonal help primarily between April and November. Salaries and wages reflect a \$231,133 or 17% increase from projected 2017. The 2018 budget includes filling 3 positions that remained open throughout 2017 due to changes in staff.

Contractual Services

Contractual services show a year-over-year increase. The bulk of activity requiring these services are landscape and turf maintenance which occur in the summer and represent 8.6% of the total costs indicated in the budget.

Utilities

2017 projected year end represent utility expenditures for the park system. 2018 includes both the park system and the completed maintenance facility resulting in a \$ 20,379 or 28% increase. The facility will serve both the golf and parks operations.

RECREATION FUNCTION

The Recreation Function provides Park District of Highland Park residents with the opportunity to learn new skills, gather information, socialize, exercise, learn about and appreciate nature, and spend their available recreation time safely and wisely through quality programs, services, and special events at various Park District facilities.

The Recreation Function is responsible for customer relations, facility operations, and programs and services at West Ridge Center, Heller Nature Center, Recreation Center of Highland Park, Centennial Ice Arena, Deer Creek Racquet Club, Sunset Valley Golf Course, Park Avenue Boating facility, Rosewood Interpretive Center and Beach, Hidden Creek Aquapark, Golf Learning Center and Banquets at the Highland Park Country Club.

The District has cooperative relationships with a variety of organizations, including affiliations and sponsored groups. The Recreation Function works closely with these groups, fostering good communication to ensure quality programs and services for our residents.

Although registration is available throughout the District, the Recreation Center and West Ridge are currently the principle locations for registration activity. Other facilities also accept facility-specific registration. Objective #7 of the Strategic Plan states- "Implement a User-Friendly Registration Process". To support this objective a new registration system was introduced in February 2017. The new system supports in-house and online registration across the district. Adding customer friendly features including calendar updating, reminders, and alerts. Gift cards which can be used at most facilities were introduced during the last quarter of 2017.

The Recreation Function budgeted information is presented in three formats:

- By revenue and expenditure, to present the Recreation Fund in the same format as the District wide Comparison.
- By Center to present the net surplus or deficit of the center
- By revenue and expenditure types.

Table #9

RECREATION FUNCTION

	2016 Total Activity	2017 Total Budget	2017 Projected Year	2018 Total Budget		2018 Budget vs 2017 Proj.	% Change
Revenue							
TAX	4,044,941	4,950,000	4,908,194	5,490,000	36.9%	581,806	12%
PROGRAMS	2,926,640	3,031,168	2,936,341	3,034,812	20.4%	98,471	3%
CAMPS	1,454,746	1,558,042	1,438,145	1,549,078	10.4%	110,933	8%
LESSONS	295,657	325,586	312,921	346,685	2.3%	33,764	11%
SPECIAL EVENTS	127,553	129,003	97,092	108,288	0.7%	11,196	12%
FEES & CHARGES	1,853,856	1,351,632	1,194,809	1,230,973	8.3%	36,164	3%
MEMBERSHIPS	1,688,652	1,752,592	1,683,168	1,717,654	11.6%	34,486	2%
RENTALS	1,530,473	1,350,438	1,352,532	1,203,618	8.1%	(148,914)	-11%
MERCHANDISING	1,010,585	1,117,105	1,100,865	66,345	0.4%	(1,034,520)	-94%
MISCELLANEOUS INCOME	278,354	279,898	182,071	93,700	0.6%	(88,371)	-49%
OTHER INCOME	3,636	3,000	4,000	24,645	0.2%	20,645	516%
Revenue Total:	15,215,093	15,848,465	15,210,138	14,865,797		(349,296)	-2%
Expenditure							
PROGRAMS	1,739,875	1,676,042	1,608,829	1,647,114	14.0%	38,285	2%
CAMPS	804,096	905,598	859,273	882,710	7.5%	23,437	3%
LESSONS	151,704	134,584	153,886	159,168	1.4%	5,282	3%
SPECIAL EVENTS	224,070	232,167	229,562	214,265	1.8%	(15,297)	-7%
SALARIES & WAGES	4,473,576	4,690,361	4,391,598	4,792,734	40.8%	401,136	9%
CONTRACTUAL SERVICES	2,561,747	2,553,525	2,377,048	1,071,187	9.1%	(1,305,861)	-55%
INSURANCE	823,286	895,146	792,815	884,773	7.5%	91,958	12%
MATERIALS & SUPPLIES	452,045	402,325	379,507	340,707	2.9%	(38,800)	-10%
MAIN. & LANDSCAPE	452,226	449,390	367,320	320,155	2.7%	(47,165)	-13%
UTILITIES	750,936	829,299	749,178	856,956	7.3%	107,778	14%
PENSION CONTRIBUTIONS	469,742	556,870	518,224	534,234	4.5%	16,010	3%
COST OF GOODS SOLD	336,724	348,564	344,927	26,546	0.2%	(318,381)	-92%
CAPITAL OUTLAY	7,410	39,250	28,150	28,700	0.2%	550	2%
Expenditure Total	13,247,437	13,713,121	12,800,317	11,759,249		(1,488,188)	-12%
	1,967,656	2,135,343	2,409,821	3,106,548		1,138,892	
Other Financing							
DEBT ISSUANCE				-			
OPERATING TRANSFER IN	-	-	-	-			
OPERATING TRANSFER OUT	(1,886,818)	(1,883,308)	(1,883,308)	(1,885,408)			
Net Surplus (Deficit)	80,838	252,036	526,513	1,221,140	-	1,138,892	0

BUDGET HIGHLIGHTS- General highlights for the entire Function-

Table #9- 2018 budget compared to 2017 projected year end

Property Tax

Due to a reallocation of the tax levy between the General and Recreation Funds to support operations and future capital building, Property Tax Revenue for the Recreation Function is budgeted to increase by \$581,806 or 12% compared with 2017.

Other Income

With the Foundation active, accounting between the two organizations has changed. The Park District will be reimbursed for expenditures incurred on behalf of the Foundation. This reimbursement is accounted for in the Recreation Fund under Other Income, resulting in a 516% increase or \$20,645.

Salaries and wages

Salary and wages represent 40.8% of the Recreation Function's budget. They are increasing by \$401,136 or 9% due to the standard merit pool increase and operating at full staff.

Pension Contributions

As mentioned above, overall the district has seen a 6% increase in pension costs. The \$16,010 or 3% increase within - Recreation reflects that increase as compared to projected 2017.

Contractual Services, Materials & Supplies and Maintenance & Landscaping, Cost of Goods Sold

Budgeted expenditures in all four areas are decreasing due to Highland Park Country Club. Contractual Services 27%, Materials 5%, Maintenance 10%, and COGS 39%.

Table #10

RECREATION FUNCTION by CENTER

		2016	2017	2017	2018	2017 Budget vs	%
		Total Activity	Total Budget	Projected Year End	Total Budget	2016 Projected	Change
ADMINISTRATIVE	Revenue	4,088,850	4,988,000	4,943,194	5,529,000	585,806	12%
	Expense	3,731,447	3,723,326	3,626,751	3,649,089	22,338	1%
	Surplus (Deficit):	357,403	1,264,674	1,316,443	1,879,911	563,468	43%
	Net Revenue:	9%	25%	27%	34%		
WEST RIDGE CENTER	Revenue	496,429	475,282	483,201	540,503	57,302	12%
	Expense	731,340	713,275	705,774	849,990	144,216	20%
	Surplus (Deficit):	(234,911)	(237,993)	(222,573)	(309,487)	(86,914)	39%
	Net Revenue:	-47%	-50%	-46%	-57%		
ATHLETICS	Revenue	978,018	1,040,734	1,008,664	995,801	(12,863)	-1%
	Expense	900,516	999,216	953,249	951,805	(1,444)	0%
	Surplus (Deficit):	77,502	41,518	55,416	43,996	(11,420)	-21%
	Net Revenue:	8%	4%	5%	4%		
CAMPS-WR Only	Revenue	822,694	905,963	823,752	893,222	69,470	8%
	Expense	573,288	658,770	636,166	650,063	13,897	2%
	Surplus (Deficit):	249,406	247,193	187,586	243,159	55,573	30%
	Net Revenue:	30%	27%	23%	27%		
SPECIAL EVENTS	Revenue	75,079	102,303	56,407	69,033	12,626	22%
	Expense	224,869	251,186	246,710	218,607	(28,103)	-11%
	Surplus (Deficit):	(149,790)	(148,883)	(190,303)	(149,574)	40,729	-21%
	Net Revenue:	-200%	-146%	-337%	-217%		
HIDDEN CREEK	Revenue	457,279	469,776	376,418	457,333	80,915	21%
	Expense	512,340	629,831	459,682	480,719	21,037	5%
	Surplus (Deficit):	(55,061)	(160,055)	(83,264)	(23,386)	59,878	-72%
	Net Revenue:	-12%	-34%	-22%	-5%		
ROSEWOOD INTERPRETIVE CENTER	Revenue	109,598	113,944	105,077	111,566	6,489	6%
	Expense	100,576	106,037	96,282	107,343	11,061	11%
	Surplus (Deficit):	9,022	7,907	8,795	4,223	(4,572)	-52%
	Net Revenue:	0%	7%	8%	4%		
ROSEWOOD BEACH	Revenue	26,250	57,925	56,545	72,570	16,025	28%
	Expense	110,926	156,165	108,720	116,597	7,877	7%
	Surplus (Deficit):	(84,676)	(98,240)	(52,175)	(44,027)	8,148	-16%
	Net Revenue:	-323%	-170%	-92%	-61%		
PARK AVENUE BEACH	Revenue	75,424	88,319	97,768	93,280	(4,488)	-5%
	Expense	77,234	88,782	70,806	72,921	2,115	3%
	Surplus (Deficit):	(1,810)	(463)	26,962	20,359	(6,603)	-24%
	Net Revenue:	-2%	-1%	28%	22%		
CENTENNIAL ICE ARENA	Revenue	1,276,454	1,254,735	1,178,743	1,271,589	92,846	8%
	Expense	961,772	919,116	908,600	977,948	69,348	8%
	Surplus (Deficit):	314,682	335,619	270,143	293,641	23,498	9%
	Net Revenue:	25%	27%	23%	23%		
SUNSET VALLEY	Revenue	875,281	-	35	599,017	598,982	1688223%
	Expense	933,672	574,453	575,413	1,085,537	510,124	89%
	Surplus (Deficit):	(58,391)	(574,453)	(575,378)	(486,520)	88,858	-15%
	Net Revenue:	-7%					

Table #10
CONTINUED

RECREATION FUNCTION by CENTER

		2016	2017	2017	2018	2017 Budget vs	%
		Total Activity	Total Budget	Projected Year End	Total Budget	2016 Projected	Change
RECREATION CENTER	Revenue	2,178,830	2,248,608	2,198,858	2,332,264	133,406	6%
	Expense	2,079,009	2,225,617	2,035,550	2,223,108	187,558	9%
	Surplus (Deficit):	99,821	22,992	163,308	109,156	(54,152)	-33%
	Net Revenue:	5%	1%	7%	5%		
DEER CREEK TENNIS	Revenue	1,387,053	1,452,829	1,426,888	1,436,889	10,001	1%
	Expense	1,159,039	1,181,276	1,077,164	1,149,399	72,235	7%
	Surplus (Deficit):	228,014	271,553	349,724	287,490	(62,234)	-18%
	Net Revenue:	16%	19%	25%	20%		
HELLER NATURE CENTER	Revenue	275,247	322,406	251,695	291,631	39,936	16%
	Expense	646,345	701,240	611,283	672,274	60,991	10%
	Surplus (Deficit):	(371,098)	(378,834)	(359,588)	(380,643)	(21,055)	6%
	Net Revenue:	-135%	-118%	-143%	-131%		
HPCC	Revenue	2,092,609	2,327,642	2,202,892	172,100	(2,030,792)	-92%
	Expense	2,391,882	2,668,139	2,571,475	439,258	(2,132,217)	-83%
	Surplus (Deficit):	(299,273)	(340,498)	(368,583)	(267,158)	101,425	-28%
	Net Revenue:	-14%	-15%	-17%	-155%		
Revenue Total		15,215,095	15,848,465	15,210,138	14,865,798	(344,340)	
Expenditure Total		15,134,255	15,596,429	14,683,626	13,644,658	(1,038,968)	
Surplus (Deficit)		80,840	252,036	526,512	1,221,140	694,628	

Table #11

RECREATION FUNCTION BY TYPE

		2016	2017	2017	2018	2018 Budget vs	%
		Total Activity	Total Budget	Projected Year End	Total Budget	2017 Projected	Change
PROGRAMS							
	Revenue	2,926,640	3,031,168	2,936,341	3,034,812	98,471	3%
	Expense	1,739,875	1,676,042	1,608,829	1,647,114	38,285	2%
		1,186,765	1,355,126	1,327,512	1,387,698	60,186	5%
Net Revenue:		41%	45%	45%	46%		
CAMPS							
	Revenue	1,454,746	1,558,042	1,438,145	1,549,078	110,933	8%
	Expense	804,096	905,598	859,273	882,710	23,437	3%
Surplus (Deficit):		650,650	652,444	578,872	666,368	87,496	13%
Net Revenue:		45%	42%	40%	43%		
LESSONS							
	Revenue	295,657	325,586	312,921	346,685	33,764	11%
	Expense	151,704	134,584	153,886	159,168	5,282	3%
Surplus (Deficit):		143,953	191,002	159,034	187,517	28,482	20%
Net Revenue:		49%	59%	51%	54%		
SPECIAL EVENTS							
	Revenue	127,553	129,003	97,092	108,288	11,196	12%
	Expense	224,070	232,167	229,562	214,265	(15,297)	-7%
Surplus (Deficit):		(96,517)	(103,164)	(132,470)	(105,977)	26,493	-27%
Net Revenue:		-76%	-80%	-136%	-98%		
OTHER REVENUES							
TAX		4,044,941	4,950,000	4,908,194	5,490,000	581,806	12%
FEES & CHARGES		1,853,856	1,351,632	1,194,809	1,230,973	36,164	3%
MEMBERSHIPS		1,688,652	1,752,592	1,683,168	1,717,654	34,486	2%
RENTALS		1,530,473	1,350,438	1,352,532	1,203,618	(148,914)	-11%
MERCHANDISING		1,010,585	1,117,105	1,100,865	66,345	(1,034,520)	-94%
MISCELLANEOUS INCOME		278,354	279,898	182,071	93,700	(88,371)	-49%
OTHER INCOME		3,636	3,000	4,000	24,645	20,645	516%
Other Revenue Total :		10,410,497	10,804,665	10,425,639	9,826,935	(598,704)	4
OTHER EXPENSES							
SALARIES & WAGES		4,473,576	4,690,361	4,391,598	4,792,734	401,136	9%
CONTRACTUAL SERVICES		2,561,747	2,553,525	2,377,048	1,071,187	(1,305,861)	-55%
INSURANCE		823,286	895,146	792,815	884,773	91,958	12%
MATERIALS & SUPPLIES		452,045	402,325	379,507	340,707	(38,800)	-10%
MAIN. & LAND. CONTRACTS		452,226	449,390	367,320	320,155	(47,165)	-13%
UTILITIES		750,936	829,299	749,178	856,956	107,778	14%
PENSION CONTRIBUTIONS		469,742	556,870	518,224	534,234	16,010	3%
COST OF GOODS SOLD		336,724	348,564	344,927	26,546	(318,381)	-92%
CAPITAL OUTLAY		7,410	39,250	28,150	28,700	550	2%
Other Expense Total:		10,327,692	10,764,730	9,948,767	8,855,992	(1,092,774)	-130%
Surplus (Deficit):		82,805	39,935	476,872	970,943	1,093,324	
Net Revenue:		1%	0%	5%	10%		
Revenue Total		15,215,093	15,848,465	15,210,138	14,865,797		
Expenditure Total		13,247,437	13,713,121	12,800,317	11,759,249		
Surplus (Deficit)		1,967,656	2,135,344	2,409,821	3,106,548		

Table #10 and Table #11- 2018 budget compared to 2017 projected year end

West Ridge Center

West Ridge Center (WR) was built in the early 1930s and was acquired from the school district in 1979. The facility houses the District administration offices. It is also the home of the Jammin' Jungle indoor tot play area and Safety Town. Due to the large administration presence, the budget for WR is always a deficit.

West Ridge Center generates revenues from preschool, martial arts, and various adult and youth programs such as art and dance. Goals for 2018 include implementing the Strategic Plan's Objective, Managing the Program Portfolio. By evaluating program life cycle and eliminating or designing declining programs to create operational efficiencies. WR reflects a deficit budget of \$309,487 compared to projected 2017.

Athletics

The Athletics Center manages a variety of sports programs and camps. Revenue is generated from program fees, field and gym rentals. Overall, the 2018 budget for athletics reflects a surplus of \$43,996, a slight increase from 2017 budget of \$41,517.

Changing trends in athletics has resulted in the cancellation of tackle football, while registration has increased in flag football by almost 10%. With the popularity of fall baseball, baseball's percentage of total revenue has increased to 22%. Goals for 2018 include reducing departmental costs by 5% and increasing clinics offered throughout the year.

Camps- WR

The Park District offers 30 different camps; 11 camps fall under the West Ridge Camp Center and are managed by the West Ridge recreation staff. A variety of camps from a traditional summer experience to themed specific are offered to children from preschool through middle school. Door-to-door bus service is available for Highland Park residents. Camp sites are located throughout the community, at park district and school facilities. Before and after care is offered to support programming.

Center goals include redesigning camp curriculum, and investing in experiences that drive customer satisfaction. The budget for camp reflects a surplus of \$243,159, which is higher than projected 2017 \$187,586, but in line with prior year's performance. Net revenue for the camp program ranges between \$240,000 to \$280,000 annually. 2018 camp registration will begin December 2017.

Please note this budget does not include facility specific camps such as athletics, golf, tennis, or nature camps, which are accounted for within the specific operational Center.

Special Events

The District has a number of special events - offered to the public for free or at a minimum charge. The Park District's goal is to spend approximately \$5 per park district resident on community events each year. The 2018 Budget meets that goal. Special events are primarily managed by West Ridge staff and are accounted for in the Special Events center. 2018 goals include, introducing positive changes to keep returning customers engaged and continuing to seek out partnership and sponsorship opportunities.

It is very difficult to track the number of people that attend District special events due to the size and the scope of the activities. It is estimated that thousands are served by these events as community wide special events are embraced by the community.

Hidden Creek AquaPark

Hidden Creek AquaPark has provided thrills and spills for all ages since 1997 and celebrated its 20 year anniversary in 2017. The water park boasts two water slides, zero depth entry, water playground, six lap lanes, a splash pad, and concessions. As is the case with most outdoor pools, the success or failure of the facility is weather dependent. Most outdoor pools operate at a deficit.

The 2018 Budget estimates a deficit of \$23,386 as compared to a projected deficit of \$83,264 in 2017. 2018 budgeted revenue \$457,000 falls at the top end of the 3-year range \$425,000 - \$457,000. The Center's goal of developing and promoting specialty parties supports budgeted revenue. Throughout the season expenditures were limited to general operational maintenance. At the close of the season repairs to the splash pad were undertaken. 2018's RCP (Replacement Capital Plan) includes, water heater replacement, building and parking lot repairs.

Rosewood Interpretive Center and Beach

With extensive renovations completed, the Rosewood Interpretive Center (RIC) and beach were opened for public use during the summer of 2015. RIC provides unique experiences on the lakefront through programs, events, exhibits, and rentals.

Of the total budgeted revenue at the Interpretive Center, revenue from camps is 41%, programs 44% and rentals 15% of the total \$111,000. Rental activity continues to grow as the word spreads about the extraordinary location. Goals for RIC include offering highboy tables for rentals, which will allow patrons to enjoy the space outside of the building.

A portion of the beach focuses on the natural beauty of the lakefront with passive and non-intrusive activities. Another portion of the beach serves as the only guarded swimming beach for the District. The beach generates its revenues primarily from nonresident parking fees & admission and open swim opportunities through camps. . Goals for the Center include development of promotional material for picnic table rentals. Rosewood Beach operations reflect a budgeted deficit of \$44,027.

Park Avenue Boating Facility

Park Avenue Boating Facility features a concrete ramp and sand launching ramp, two parking lots, and two boat storage areas. It is also home to the North Shore Yacht Club. The Park Avenue Clubhouse is available to the public for private rentals.

In 2016, the District and the City of Highland Park agreed to operate the Park Avenue boating facility cooperatively. The City is responsible for the all parking and traffic management and the District is responsible for the launching of boats and building rentals.

The 2018 budget reflects Park Avenue open for sailing and boating with surplus budget of \$20,358.

Centennial Ice Arena

Centennial Ice Arena was built in 1973 and houses indoor ice for hockey, figure skating, and public skate as well as the District's gymnastics program. Programs include a United States Figure Skating Association Basic Skills skating school and skill level gymnastics programs as well as the annual ice show event. Centennial is also home to the Highland Park Giants Hockey Club and -Falcons Hockey Association.

Centennial Ice Arena reflects a surplus of \$293,643 for 2018. Year to Year net surplus ranges between \$250,000 and \$315,000 annually. Rental income from affiliated organizations and groups, a local university, and the public make up 46% of revenue or \$591,913. Daily skate fees, ice skating lessons, and the ice show make up \$368,761 or 29% of revenue. The North Shore Classic competition is held yearly, providing area skaters with an amateur skating event.

Centennial Ice Arena is also home to the District's gymnastics program which has a strong local following. Net programming revenue is 65% over direct expenses and continues to increase. In 2018, Centennial Ice Arena will continue to provide quality hockey, figure skating and gymnastics programming opportunities, which focus on skill development. Goals for the Center include development of consistent business practices and procedures, and providing unique programming opportunities for both ice skating and gymnastics.

Sunset Valley Golf Course

Sunset Valley Golf Course has been a premier North Shore golf course since 1920. This 18-hole, par 72 course hosts the annual North Shore Amateur Tournament. Sunset Valley Golf Course receives revenue from green fees, permanent tee times, rentals, lessons etc. PGA professionals offer golf lessons and clinics for all ages and skill levels. Sunset Valley also offers a summer golf camp. Golf course maintenance is included in the courses' budget.

Extensive renovation to the course began in January 2017 and was completed by the fall 2017. Plans included creating a distinctive course accommodating every level of golfer with unique features while addressing and correcting the necessary infrastructure improvements identified in GreenPrint 2024. With a strong spring growing season, the course is anticipated to open August 2018. The \$5.1M project is projected to remain on or under budget.

Building for a modernized clubhouse and outdoor space will be complete in 2018. This renovation project should also remain on or under budget.

Capital budgeting for 2018 consist of \$1.8M club house and course renovation of \$545,000. General maintenance needed to produce a premier product is budgeted at approximately \$486,000. Plans are being made with the Foundation for a spectacular grand opening supporting golf operations and SMILE- the District's scholarship program.

Recreation Center of Highland Park

The Recreation Center of Highland Park was built in 2005 and operations include administrative, fitness, and aquatics. Members and guests benefit from a full range of fitness equipment, personal training, group exercise classes, a swimming pool, a walking track and basketball courts.

Over the last few years, with expansion of its membership, increases in personal training, and focus on cost saving measures, the Recreation Center has made significant improvement in overall revenue generation. 2017 projected year end indicates a surplus of approximately \$163,309. This was accomplished while renovation to the group exercise, personal training and free weight areas were being undertaken. Goals for 2018 include training/cross training front desk staff to provide thorough customer interaction and new Sunday morning swim lesson programming.

Deer Creek Racquet Club

Deer Creek Racquet Club was built in 1976 and boasts six indoor tennis, three racquetball courts as well as an indoor golf practice area. Leagues, lessons, camps, and events are offered for all ages and skill levels.

Goals for the Center include moving to a full year operation and increased communication with patrons. A monthly newsletter, DCRC Down-the-line, will be distributed to members. For 2018, Deer Creek continues to operate at a profit with revenues budgeted to exceed expenditures by \$287,490. With year-round customer focused programming, tennis programs represent 61% of budgeted revenue. Deer Creek has continued to be a revenue generating facility for the district.

Heller Nature Center

Heller Nature Center was built in 1980 and is surrounded by a 97-acre nature preserve. Built as an environmental learning facility, Heller hosts an indoor nature exhibit, environmental programs, events, campfires, Wander Woods, and a working bee colony. Like West Ridge Center, Heller Nature Center is a facility that generates revenue primarily from program and specialty camps, with some additional revenue earned from rentals and the sale of merchandise (Heller Honey). This budget reflects a deficit of \$380,643. Goals for the Center include reduction in overall deficit, ADA improvements to the Teams Course, increasing participation and development of new programming.

Highland Park Country Club

Highland Park Country Club (HPCC) was constructed in 1961 with the hope of becoming one of the elite private clubs in the Chicagoland area. In the late 1990's the course was altered, a portion was developed for single family homes and a full-scale practice facility was developed. In 1992 the City of Highland Park purchased the course and managed the facility until January 1, 2015 at which time the Park District assumed responsibility for the facility operations.

Golf operations for 2018 will be closed, however the Golf Learning Center and Banquet facility will continue to operate. For the Learning Center, operational decisions, between the City of Highland Park and the Park District are being finalized. These decisions will guide the allocation between departments of revenue and expenditures for 2018 and 2019. Banquet operations will be out sourced, for a budgeted management fee of \$100,000. Building repairs, maintenance and utilities will remain the responsibility of the Park District for 2018.

Programs and Facilities-Table #11

The Revenue Policy states that recreational programming is to achieve 30% net revenue (revenue less direct program expenditures). Direct wages, operational expenditures, IMRF, FICA and health insurance are charged to the program. Not all programs or special events meet the 30% goal; however, these programs support the mission of the District and are important for that reason.

Overall, within the 2018 Budget the program net is 46%, camp is 43% and lessons is 54%. Since staff has been following the Revenue Policy, the percentage of net revenue has been steadily increasing. Providing increased support for overhead not accounted for at the Cost Center level.

SUMMARY-

Per Park District Code, each district shall within or before the quarter of each fiscal year, adopt a combined annual budget and appropriation ordinance. Following the time line for 2018's budget, adoption of the budget will occur at January's board meeting, well within the established deadline.

Thinking and operating differently, 2018 will be an exciting year for the Park District. From an operational perspective, the District is expected to see consistent growth in program and lesson participation as well as memberships. In addition, the District will build on the success of 2017 and is expected to achieve our 2018 budgeted goals.

Preparation of the 2018 Budget was made possible by the dedicated Park District of Highland Park staff and coordinated by the Finance staff. Many thanks to the Board of Commissioners for their dedication, support and service to the District.

Park District of Highland Park
Capital Projects
Fiscal Years Ending December 31, 2018

Appendix A

Description	2018	Total
District Wide/Annual		
District Wide Master Plan/Project Planning	50,000	50,000
Park Avenue Dredging	32,250	32,250
Emerald Ash Borer Removal/General Tree Removal	50,000	50,000
District Wide Park Sign Replacement	75,000	75,000
Storm Water Management Improvements	50,000	50,000
District Wide Pond Survey	20,000	20,000
Park Shelter Roof Replacements	20,000	20,000
Total District Wide	297,250	297,250
Technology		
PCI Compliance Equipment	4,000	4,000
Technology Infrastructure Project	10,000	10,000
Payroll System Replacement	75,000	75,000
Security Cameras	20,000	20,000
Security Enhancement (Fobs)	95,000	95,000
Total Technology	204,000	204,000
Parks-Equipment		
Light Duty Truck W/Lift-874	35,220	35,220
4 x 4 Pickup w/plow 859	39,484	39,484
Tractor-839	60,000	60,000
2008 Ford F-150 w/lift-864	24,000	24,000
Light Duty Truck-834 Escape	22,000	22,000
2.5 Ton Dump Truck 835	95,000	95,000
Natural Areas Utility Vehicle	12,000	12,000
2008 Ford F-150	30,000	30,000
Total Parks Equipment	317,704	317,704
Cloverdale Park		
Basketball Court Patch/Color/Stripe	15,000	15,000
Tennis Court Grind/Overlay/Color/Stripe	60,000	60,000
Tennis Court Fence Replacement	40,000	40,000
Total Cloverdale Park	115,000	115,000
D. Cuniff Park		
Basketball Ball Grind/Overlay/Color/Stripe	22,000	22,000
Fishing Deck/Gazebo	14,000	14,000
Tennis Court Rebuild (Study and Design) - Stormwater Manage	50,000	50,000
Total D. Cuniff Park	86,000	86,000

Park District of Highland Park

Capital Projects

Appendix A

Fiscal Years Ending December 31, 2018

Kennedy Park		
Playground Replacement	350,000	350,000
Basketball Court Grind/Overlay/Color/Stripe	15,000	15,000
Asphalt Allowance - Playground Pathways	15,000	15,000
Total Kennedy Park	380,000	380,000
L. Fink Park		
Tennis Court Patch/Color/Stripe	152,000	152,000
Total L. Fink Park	152,000	152,000
Moraine Park		
Repair Retaining Walls/Beach Walk (Construction)	390,000	390,000
Feailbilty Study	17,500	17,500
Total Moraine Park	407,500	407,500
Old Elm Park		
Tennis Court Grind/Overlay/Color/Stripe	60,000	60,000
Tennis Court Fence Replacement	40,000	40,000
Basketball Court Grind/Overlay/Color/Stripe	15,000	15,000
Total Old Elm Park	115,000	115,000
Rosewood Beach		
Beach Monitoring/Replenishment	52,090	52,090
Replace Sewer Line	25,500	25,500
Ravine Repairs	100,000	100,000
Total Rosewood Beach	177,590	177,590
Rosewood Park		
Bluff Staircase Rebuild	350,000	350,000
Total Rosewood Park	350,000	350,000
Skokie River Woods		
North-South Trail Development	300,000	300,000
Total Skokie River Woods	300,000	300,000
Sunset Woods Park		
Athletic Lights Survey	22,000	22,000
Total Sunset Woods Park	22,000	22,000

Park District of Highland Park

Capital Projects

Appendix A

Fiscal Years Ending December 31, 2018

West Ridge Park		
Athletic Lights Replacement	200,000	200,000
Total West Ridge Park	200,000	200,000
Woodridge Park		
Basketball Court Patch/Color/Stripe	15,000	15,000
Total Woodridge Park	15,000	15,000
Total Parks	2,637,794	2,637,794
Totals-District Wide, Technology and Parks	3,139,044	3,139,044
FACILITIES		
Centennial		
ADA Improvements -- Railing, Restrooms, Ice Ramp	5,500	5,500
Building Improvements Planning	100,000	100,000
Total Centennial	105,500	105,500
Golf Learning Center		
Pump Replacement	25,000	25,000
Lighting Repair	50,000	50,000
Replace Hitting Station Mats	19,000	19,000
Total Golf Learning Center	94,000	94,000
Heller Nature Center		
Lobby Exhibit Repairs and Improvements	45,000	45,000
Teams Course Additions	20,000	20,000
ADA Teams Course Improvements	50,000	50,000
Total Heller Nature Center	115,000	115,000
Hidden Creek		
Pool Shell Painting	51,000	51,000
ADA Parking Lot Improvements	30,000	30,000
Asphalt Allowance - Parking Lot (East Side)	82,000	82,000
Asphalt Allowance - Parking Lot (West Side)	68,000	68,000
Asphalt Allowance - Roadway to POGO	70,000	70,000
Water Heater Replacements	25,000	25,000
Filter Sand Replacement	40,000	40,000
Total Hidden Creek	366,000	366,000

Park District of Highland Park

Capital Projects

Appendix A

Fiscal Years Ending December 31, 2018

HPCC-Clubhouse		
Facility Maintenance Fund	50,000	50,000
Total HPCC-Clubhouse	50,000	50,000
Park Avenue Beach		
Park Avenue Improvements	250,000	250,000
Total Park Avenue Beach	250,000	250,000
Park Operations Center		
Waste and Recycling Containers	100,000	100,000
Total Park Operation Center	100,000	100,000
RCHP		
Equipment Upgrade/Replacement	42,000	42,000
Roof Repairs	13,000	13,000
Total RCHP	55,000	55,000
SVGC		
Walk Green Mowers-lease	18,737	18,737
Golf Cart-lease	29,520	29,520
Asphalt Allowance - South Parking Lot/Bob-O-Link to Parks Barn	60,000	60,000
Fairway Machine	52,000	52,000
Rough Machine	64,000	64,000
Greens Roller	15,000	15,000
Slit Seeder	22,000	22,000
Fairway Machine 1	52,000	52,000
Half-Way House Improvements	100,000	100,000
Total SVGC	413,257	413,257
West Ridge Center		
Facility Maintenance Fund	75,000	75,000
Furniture and Fixtures for Preschool, Board and MPR Rooms	20,000	20,000
HVAC/Furance Replacements	40,000	40,000
Total West Ridge Center	135,000	135,000
Total Facilities	1,683,757	1,683,757
Grand Totals	4,822,801	4,822,801

Park District of Highland Park

FIVE YEAR CAPITAL REPLACEMENT

Fiscal Years Ending December 31, 2018-2023

Appendix B

Description	2018	2019	2020	2021	2022	2023	Total
Total District Wide	297,250	503,540	543,880	586,280	2,577,700	591,470	5,100,120
Total Technology	204,000	116,000	64,000	46,000	46,000	26,000	502,000
Total Parks Equipment	317,704	276,000	226,000	48,000	220,000	209,000	1,296,704
Total Brown Park	0	0	0	30,000	0	0	30,000
Total Cloverdale Park	115,000	0	0	0	0	60,000	175,000
Total D. Cuniff Park	86,000	550,000	74,000	0	130,000	0	840,000
Total Kennedy Park	380,000	0	0	0	5,000	0	385,000
Total L. Fink Park	152,000	25,000	74,000	0	0	570,000	821,000
Total Lincoln Park	0	5,000	0	0	200,000	0	205,000
Total Millard Park	0	0	0	0	0	0	0
Total Moraine Park	407,500	475,000	0	0	0	0	882,500
Total Mooney Park	0	22,000	0	0	0	0	22,000
Total Moroney Park	0	0	0	450,000	0	0	450,000
Total Old Elm Park	115,000	0	0	0	0	405,000	520,000
Total Olson Park	0	0	0	0	0	0	0
Total Port Clinton Park	0	5,000	0	400,000	0	0	405,000
Total R. Deutsch Park	0	0	350,000	0	0	0	350,000
Total Rosewood Beach	177,590	83,050	50,000	0	50,000	0	360,640
Total Rosewood Park	350,000	0	0	0	0	250,000	600,000
Total Skokie River Woods	300,000	0	0	0	0	0	300,000
Total Sunset Woods Park	22,000	0	203,000	0	80,000	0	305,000
Total West Ridge Park	200,000	5,000	0	0	0	15,000	220,000
Total Woodridge Park	15,000	30,000	0	0	0	30,000	75,000
Total Parks	2,637,794	1,476,050	977,000	928,000	685,000	1,539,000	8,242,844
Totals-District Wide, Technology and Parks	3,139,044	2,095,590	1,584,880	1,560,280	3,308,700	2,156,470	13,844,964
FACILITIES							
Total Centennial	105,500	130,000	0	0	500,000	400,000	1,135,500
Total Deer Creek Racquet Club	0	0	470,000	425,000	0	0	895,000
Total Golf Learning Center	94,000	0	15,000	0	0	0	109,000
Total Heller Nature Center	115,000	10,000	23,000	34,000	0	0	182,000
Total Hidden Creek	366,000	99,500	57,000	42,500	53,000	6,000	624,000
Total HPCC-Clubhouse	50,000	50,000	0	0	0	0	100,000
Total Park Avenue Beach	250,000	0	0	0	0	0	250,000
Total Park Operation Center	100,000	100,000	100,000	0	0	0	300,000
Total RCHP	55,000	376,000	75,000	130,000	50,000	108,000	794,000
Total Rosewood Interpretive Center	0	0	0	0	50,000	0	50,000
Total SVGC	413,257	204,777	182,777	139,950	79,520	50,000	1,070,281
Total West Ridge Center	135,000	115,000	85,000	460,000	135,000	85,000	1,015,000
Total Facilities	1,683,757	1,085,277	1,007,777	1,231,450	867,520	649,000	6,524,781
5 Year Grand Totals	4,822,801	3,180,867	2,592,657	2,791,730	4,176,220	2,805,470	20,369,745

**Green Print-Project Capital Review
Project**

Appendix C

Parks/Golf Maintenance Facility

\$5,339,698

Project start, planning, and programming
Construction (year12)
Construction (year 2)

2016	\$201,478
2017	\$4,086,607
2018	\$1,051,613

Sunset Valley Golf Course - Course Improvements

\$5,350,000

Project start, planning, and programming
Construction (year 1)/growing season
Growing season

2017	\$1,000,000
2017	\$3,805,000
2018	\$545,000

Sunset Valley Golf Course - Clubhouse Improvements

\$1,900,000

Project start, planning, and programming
Construction

2017	\$75,000
2018	\$1,825,000

HPCC-Property Conversion

\$1,940,000

Purchase HPCC Property Lot 1 and Lot 2
Project start, planning, and programming
Pre-construction maintenance
Construction
Maintenance (year 2)
Maintenance (year 3)
Maintenance (year 4)

2018	\$500,000
2018	\$170,000
2018	\$50,000
2019	\$920,000
2020	\$100,000
2021	\$100,000
2022	\$100,000

**PARK DISTRICT OF HIGHLAND PARK
PAY RANGES BY GRADE LEVEL**

APPENDIX D

JUNE 2018 REVISED

Specialists and Support Staff			
1	\$37,500		\$52,500
2	\$39,375		\$55,125
3	\$41,344		\$57,881
4	\$43,411		\$60,775
5	\$45,581		\$63,814

Supervisors and Advanced Technical Staff			
6	\$51,000		\$71,400
7	\$56,100		\$78,540
8	\$61,710		\$86,394

Managers			
9	\$72,500		\$101,500
10	\$79,750		\$111,650

Senior Management			
11	\$110,000		\$154,000
12	\$121,000		\$169,400

Executive Director			
13	\$150,000		\$210,000

APPENDIX D

PART TIME GRADE SCALE	Salary Range	
	Minimum	Maximum
GRADE 1	\$9.00	\$12.60
GRADE 2	\$10.00	\$14.00
GRADE 3	\$11.00	\$15.40
GRADE 4	\$13.00	\$18.20
GRADE 5	\$15.00	\$25.20
GRADE 6	\$18.00	\$30.60
LABOR AND MAINTENANCE	\$9.00	\$18.20
SPECIALIZED INSTRUCTION	\$15.00	\$60.00
PRIVATE INSTRUCTION	\$14.00	\$70.00

EMPLOYEE STATISTICS

The Park District of Highland Park has several employee classifications. Distinctions relate to the number of hours an employee is scheduled to work. Whether an employee is full-time, part-time, or seasonal.

1. Full-Time Employees 40 or more hours per week receive vacation, holiday, health insurance benefits and other paid time off. These employees also, contribute to and eventually may be eligible for retirement benefits from IMRF (Illinois Municipal Retirement Fund).
2. Full-Time Employees 30 to 39 hours are eligible to participate in health insurance and IMRF.
3. Part-Time Employees working up 20 hours a week, or 1,000 hours per year may be eligible for IMRF.
4. Short-term or Seasonal Employees are hired for a specific period of time, generally less than six months, regardless of expected hours per week. Such as camp counselors, park staff.

The table below illustrates the allocation of full-time and part-time IMRF positions by Function for the two previous, current and upcoming budget years. Information is presented based on the employee home department.

IMRF STAFF ALLOCATION				
	Administration	Parks	Recreation	Total
2015 Budget				
FT-IMRF	21	23	36	80
PT IMRF	2	6	33	41
Total 2015	23	29	69	121
2016 Budget				
FT-IMRF	20	21	34	75
PT IMRF	2	6	41	49
Total 2016	22	27	75	124
2017 Budget				
FT-IMRF	18	22	41	81
PT IMRF	2	7	32	41
Total 2017	20	29	73	122
2018 Budget				
FT-IMRF	23	29	36	88
PT IMRF	3	3	34	40
Total 2018	26	32	70	128

2018 Fee and Charges by Center

Appendix F

		Potential Minimum Fee	Potential Maximum Fee			Potential Minimum Fee	Potential Maximum Fee
<u>PARKS</u>				<u>PARK AVENUE BOATING</u>			
	Fee & Charges	\$40.00	\$150.00		Fee & Charges	\$41.00	\$810.00
					Rentals	\$250.00	\$5,023.00
<u>WEST RIDGE CENTER</u>				<u>CENTENNIAL ICE</u>			
	Programs	\$21.00	\$1,231.00		Programs	\$110.00	\$149.00
	Rentals	\$60.00	\$73.00		Lessons	\$40.00	\$70.00
					Fee & Charges	\$3.00	\$16.00
					Rentals	\$2.00	\$330.00
<u>ATHLETICS</u>				<u>SV- PRO SHOP</u>			
	Programs	\$50.00	\$1,700.00		Programs	\$50.00	\$125.00
	Camps	\$990.00	\$3,122.00		Camps	\$1,717.50	\$2,225.00
	Rentals	\$47.00	\$91.00		Lessons	\$100.00	\$100.00
					Fee & Charges	\$20.00	\$57.00
					Rentals	\$3.00	\$18.00
<u>CAMPS</u>				<u>RCHP ADMIN</u>			
	Camps	\$355.00	\$3,444.00		Programs	\$13.00	\$16.00
					Fee & Charges	\$0.00	\$5.00
					Rentals	\$82.00	\$2,000.00
<u>SPECIAL EVENTS</u>				<u>RCHP FITNESS</u>			
	Programs	\$16.00	\$55.00		Programs	\$17.25	\$135.00
	Special Events	\$0.00	\$90.00		Fee & Charges	\$12.00	\$120.00
					Membership	\$348.00	\$1,332.00
<u>HIDDEN CREEK</u>				<u>RCHP AQUATICS</u>			
	Fee & Charges	\$5.00	\$84.00		Lessons	\$10.00	\$127.00
	Membership	\$4.00	\$296.00		Fee & Charges	\$6.00	\$8.00
	Rentals	\$65.00	\$1,000.00		Membership	\$480.00	\$1,800.00
	Merchandising	\$2.00	\$6.00		Rentals	\$250.00	\$250.00
<u>ROSEWOOD IC</u>				<u>INDOOR TENNIS</u>			
	Programs	\$5.50	\$48.00		Programs	\$17.25	\$44.83
	Camps	\$965.00	\$1,484.00		Camps	\$410.00	\$2,811.00
	Rentals	\$200.00	\$700.00		Lessons	\$75.00	\$85.00
					Special Events	\$30.00	\$62.00
					Fee & Charges	\$17.25	\$36.75
					Membership	\$55.00	\$440.00
<u>ROSEWOOD BEACH</u>				<u>OUTDOOR TENNIS</u>			
	Fee & Charges	\$10.00	\$275.00		Programs	\$17.25	\$36.75
					Camps	\$410.00	\$3,451.00
					Lessons	\$75.00	\$85.00
					Fee & Charges	\$77.00	\$330.00
				<u>HELLER NATURE CENTER</u>			
					Programs	\$4.75	\$225.00
					Camps	\$515.00	\$4,210.00
					Special Events	\$8.00	\$10.00
					Rentals	\$9.00	\$330.00



**PARK DISTRICT OF HIGHLAND PARK
COMBINED BUDGET
AND
APPROPRIATION ORDINANCE
JANUARY 1, 2018 TO DECEMBER 31, 2018**

BOARD OF PARK COMMISSIONERS

**Brian Kaplan, President
Barnett Ruttenberg, Vice President
Calvin A. Bernstein
Lori Flores-Weisskopf
Terry Grossberg**

Annette Curtis, Treasurer

Liza McElroy, Executive Director

ORDINANCE NO. 17-07
AN ORDINANCE FOR A COMBINED BUDGET AND APPROPRIATION
FOR THE PARK DISTRICT OF HIGHLAND PARK FOR
THE FISCAL YEAR BEGINNING
JANUARY 1, 2018 AND ENDING DECEMBER 31, 2018

WHEREAS, the Board of Park Commissioners of the Park District of Highland Park, Lake County, Illinois, caused to be prepared in tentative form an annual combined Budget and Appropriation Ordinance and the Secretary of this Board has made the same conveniently available to public inspection for at least thirty days prior to final action thereon, and

WHEREAS, a public hearing was held as to such Budget and Appropriation Ordinance on the 23rd **Day of January 2018** and notice of said hearing was given at least one week prior thereto as required by law and all other legal requirements have been complied with,

NOW THEREFORE, BE IT ORDAINED BY THE BOARD OF PARK COMMISSIONERS OF THE PARK DISTRICT OF HIGHLAND PARK, LAKE COUNTY, ILLINOIS AS FOLLOWS:

SECTION 1: That the amounts herein set forth, or so much thereof as may be authorized by law and as may be needed, are hereby budgeted and appropriated for the corporate purposes of the Park District of Highland Park, Lake County, Illinois to defray all necessary expenses and liabilities of said Park District, as specified in Section 2 for the fiscal year, beginning January 1, 2018 and ending December 31, 2018.

SECTION 2: The amount budgeted and appropriated for each object or purpose is as follows:

I. The amount Budgeted and Appropriated for General Purposes:

	<u>Budget</u>	<u>Appropriation</u>
Salaries	\$2,744,517	\$3,018,969
Contractual Services	1,001,400	1,101,540
Insurance	1,214,730	1,336,203
Materials & Supplies	248,263	273,089
Maintenance & Landscaping	115,198	126,718
Utilities	123,663	136,029
Pension	377,135	414,849
Transfers Out	<u>623,605</u>	<u>685,966</u>
 Total Budgeted and Appropriated for General Fund:	 <u><u>\$6,448,511</u></u>	 <u><u>\$7,093,362</u></u>

II. The amount Budgeted and Appropriated for District's Share of Expenses of Joint Recreational Programs for the Handicapped:

Contractual Services	\$394,841	\$434,325
Transfers Out	<u>600,000</u>	<u>660,000</u>
 Total Budgeted and Appropriated for Special Recreation Fund:	 <u><u>994,841</u></u>	 <u><u>1,094,325</u></u>

III. The amount Budgeted and Appropriated
for Recreation Purposes:

	<u>Budget</u>	<u>Appropriation</u>
Salaries	\$4,792,734	\$5,272,007
Contractual Services	1,071,187	1,178,306
Insurance	884,773	973,250
Materials & Supplies	340,707	374,778
Maintenance & Landscaping	320,155	352,171
Utilities	856,956	942,652
Pension Contributions	534,234	587,657
Cost of Goods Sold	26,546	29,201
Instructional Program	2,903,257	3,193,583
Capital Outlay	28,700	31,570
Transfers Out	<u>1,885,408</u>	<u>2,073,949</u>
Total Budgeted and Appropriated for the Recreation Fund:	<u>\$13,644,657</u>	<u>\$15,009,123</u>

IV. The amount Budgeted and Appropriated
for the Debt Service Fund:

Principal	\$2,485,000	\$2,733,500
Interest	588,563	\$647,419
Fees & Charges	<u>3,800</u>	<u>4,180</u>
Total Budgeted and Appropriated for the Debt Service Fund:	<u>\$3,077,363</u>	<u>\$3,385,099</u>

V. The amount Budgeted and Appropriated
for the Capital Projects Fund:

Contractual Services	\$429,500	\$472,450
Capital Outlay	<u>8,531,914</u>	<u>9,385,105</u>

for the Capital Projects Fund:	<u>\$8,961,414</u>	<u>\$9,857,555</u>
Total Budgeted and Appropriated		

**Total Estimated Expenditures
Budgeted (All Funds)**

\$33,126,786

**Total Estimated Expenditures
Appropriated (All Funds)**

\$36,439,464.60

Summary of Funds Budgeted and Appropriated

	<u>Budget</u>	<u>Appropriation</u>
General Fund	6,448,511	7,093,362
Special Recreation Fund	994,841	1,094,325
Recreation Fund	13,644,657	15,009,123
Debt Service Fund	3,077,363	3,385,099
Capital Projects Fund	8,961,414	9,857,555
Total Budgeted	<u>33,126,786</u>	
Total Appropriated		<u>36,439,465</u>

Each of said sums of money and aggregate thereof are deemed necessary by the Board of Park commissioners of the Park District of Highland Park to defray the necessary expenses and liabilities of the foresaid Park District during the fiscal year beginning the 1st day of January, 2018 and ending the 31st day of December, 2018 for the repective purpose set forth.

SECTION 3: All unexpended balances of appropriations for the fiscal year ending the 31st day of December 2017, and prior years to the extent not otherwise re-appropriated for other purposes herein are hereby specifically re-appropriated for the same general purposes for which they were originally made and may be expended in making up any insufficiency of any other items provided in this appropriation ordinance, pursuant to law.

All receipts and revenue not specifically appropriated, and all unexpended balances from the preceding fiscal years not required for the purpose for which they were appropriated and levied shall constitute the corporate fund and shall be placed to the credit of such fund.

SECTION 4: Pursuant to law the following determinations have been and are hereby made a part hereof:

- (A) Cash on hand and short term investments at the beginning of the fiscal year:
\$23,289,296
- (B) Estimate of cash expected to be received during the fiscal year from all sources:
\$22,764,935
- (C) Estimate of expenditures contemplated for the fiscal year:
\$30,017,771
- (D) Estimate of cash and short term investments expected to be on hand at the end of the fiscal year:
\$16,036,460

SECTION 5: All ordinance or parts of ordinances conflicting with any of the provisions of this Ordinance be and the same are hereby modified or repealed. If any item or portion of this Ordinance is for any reason held invalid, such decision shall not affect the validity of the remaining portion of such item or the remainder of this Ordinance.

SECTION 6: This Ordinance is not intended or required to be in support of or in relation to any tax levy made by the Park District during the fiscal year beginning January 1, 2018 and ending December 31, 2018, or any other fiscal year.


SECTION 7: This Ordinance shall be in full force and effect immediately upon its passage and approval according to law. A Certified copy of the Ordinance shall be filed with the County Clerk of Lake County, Illinois, together with the certificate of the Chief Fiscal Officer of the Park District certifying revenues by source anticipated to be received by the Park District, within thirty (30) days after its passage and approval, as provided by law.

Adopted this 23rd Day of January 2018, pursuant to a roll call vote.

Roll Call Vote: Ayes: Commissioner Bernstein, Vice President Ruttenberg
 President Kaplan
 Nays: NONE


Absent and Not Voting: Commissioner Grossberg, Commissioner Flores Weisskopf

Ordinance Approved:



Brian Kaplan
Board of Commissioners of the
Park District of Highland Park

ATTEST:



Liza McElroy, Executive Director and Secretary
Board of Commissioners of the
Park District of Highland Park

SEAL

STATE OF ILLINOIS)
)SS
COUNTY OF LAKE)

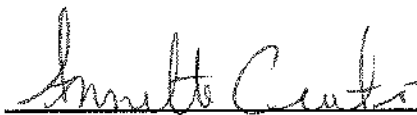
C E R T I F I C A T I O N

I, Annette Curtis, the duly qualified and acting Treasurer of the Park District of Highland Park, and the keeper of the financial records thereof,

DO HEREBY CERTIFY, that the attached ANTICIPATED REVENUES BY SOURCE to be received by the Park District of Highland Park, Lake County, Illinois for the fiscal year beginning on the 1st day of January , 2018 and ending on the 31st day of December 2018 to be as follows:

General real estate tax revenues	\$12,946,257
Personal property replacement tax revenue	126,000
Investment earnings revenue	105,000
Daily fees	1,270,299
Rental revenue	1,263,618
Program user fees	5,038,863
Merchandising retail sales revenue	66,465
Memberships revenue	1,717,654
Miscellaneous revenue	230,780
Bond/Debt Proceeds	0
Transfers	<u>3,109,013</u>
	<u><u>\$25,873,949</u></u>

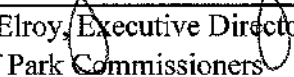
The above is certified this 23rd Day of January 2018



Annette Curtis, Treasurer
Park District of Highland Park

ATTEST:

SEAL



Liza McElroy, Executive Director and Secretary
Board of Park Commissioners
Park District of Highland Park

STATE OF ILLINOIS)

) SS

COUNTY OF LAKE)

CERTIFICATION

I, Liza McElroy, do hereby certify that I am Secretary of the Board of Park Commissioners of the Park District of Highland Park, Lake County, Illinois, and as such official, I am keeper of the records, ordinances, files and seal of said Park District, and

I HEREBY CERTIFY that the foregoing instrument is a true and correct copy of Ordinance No. #17-07.

AN ORDINANCE FOR A COMBINED BUDGET AND APPROPRIATION
FOR THE PARK DISTRICT OF HIGHLAND PARK FOR THE FISCAL
YEAR BEGINNING JANUARY 1, 2018 ENDING DECEMBER 31, 2018

of the Park District of Highland Park, Lake County, Illinois adopted at a duly called Regular Meeting of the Board of Park Commissioners of the Park District of Highland Park, held at Highland Park, Illinois in said District at 6:00 p.m. on the 23th Day of January, 2018.

I do further certify that the deliberations of the Board on the adoption of said ordinance were conducted openly, that the vote on the adoption of said resolution was taken openly, that said meeting was called and held at a specified time and place convenient to the public, that notice of said meeting was duly given to all of the news media requesting such notice, that said meeting was called and held in strict compliance with the provisions of the Park District Code of the State of Illinois, as amended, and that the Board complied with all of the provisions of said Act and said Code and with all of the procedural rules of the Board.

IN WITNESS WHEREOF, I hereunto affix my official signature and seal of said Park District of Highland Park, Illinois, this 23rd Day of January 2018.

Liza McElroy, Secretary
Board of Park Commissioners

(SEAL)

GLOSSARY

Annual Budget: -A plan proposed by the Park District Board of Commissioners for raising and expending monies for the recreation interests of residents.

Appropriations: -Amounts expended for the administration, maintenance and management of properties and programs for the Park District of Highland Park.

B & A: -Budget and Appropriations Ordinance considered by the Board of Commissioners.

Board of Commissioners: -Independent board of five, elected at-large by residents of the Park District of Highland Park.

CAFR: -Comprehensive Annual Financial Report

CRP: -CRP is the acronym for the Park District of Highland Park's district-wide Capital Improvement Plan.

CPRP: -Certified Park and Recreation Professional, a designation for professionals with a bachelor's or higher degree that meets certain years of experience and successfully pass an NRPA examination.

Deferred Projects: -Capital projects that were appropriated and considered important enough for continued work in the next fiscal year.

EAV: -Equalized Assessed Valuation, property value on which real estate taxes are levied.

Fund: -Fiscal and accounting tool with a self-balancing set of accounts to record revenue and expenditures.

GFOA: -Government Finance Officers Association, a group that promotes the professional management of governments for the public benefit.

IAPD: -Illinois Association of Park Districts, a statewide organization of park districts that promotes quality of life through education, research, and advocacy.

IMRF: -Illinois Municipal Retirement Fund, a state-established retirement fund for municipal workers. (Employees and the District pay into this defined benefit plan.)

IPRA: -Illinois Parks and Recreation Association a statewide organization of park and recreation professional advocating the benefits of parks, recreation, and conservation.

Major/Non-Major Funds: -A fund is considered major if it is the primary operating fund of the District or its assets, liabilities, revenues, or expenses are at least 10% of the corresponding total for all funds.

Modified Accrual Accounting: -An accounting method commonly used by government agencies. Revenues are recognized when they become available and measurable; expenditures generally are recognized when liabilities are incurred.

NRPA: -National Parks and Recreation Association, an organization of citizen boards and professionals interested in parks and recreation operations in the United States.

NSSRA: -Northern Suburban Special Recreation Association, an association of 12 park districts and villages that pool resources to serve adults and children with disabilities.

PDRMA: -Park District Risk Management Association, an association of more than 150 park and conservation districts that pool resources to maximize safe park conditions while managing the risk of recreation activities.

Tax Levy: -The amount the Park District requests from property owners, commercial and residential, to fund recreation activities of the communities.

Tax Rates: -The rate derived from dividing the tax levy by the EAV (The tax rate, combined for all funds, is multiplied by the equalized assessed valuation of each real estate parcel to arrive at the taxes owed by each parcel owner. Amounts are billed semiannually, usually in May and August.)