

**MINUTES OF A THE FINANCE COMMITTEE MEETING
OF THE PARK DISTRICT OF HIGHLAND PARK
HELD ON SEPTEMBER 19, 2023, 8:02 AM.**

Present: Commissioner Bernstein, Commissioner Ruttenberg, Vice President Freeman, President Grossberg

Absent: None

Also, Present: Executive Director Romes; Deputy Director Carr, Director Peters, Director Smith, Director Voss, Director Gogola, Assistant Director Reyes, Assistant Director Acevedo, Manager Ochs, Manager Kutscheid, Manager Schwartz, Manager Baczek, Manager Nichols, Manager Sassorossi, Supervisor Moara, Coordinator Hejnowski

Vice President Freeman left the meeting at 9:12 a.m.

Guest Speaker: None

Additions to the Agenda

None.

Capital Purchases and September 2023 Bid Results

A. *2023 Districtwide Fall Tree Removals Bid*

Director Voss reported that the bid includes the removal of 41 trees across 11 park sites. Staff received five (5) bids. While Hendricksen Tree Care was the low bidder, they did not include alternate costs, as a result staff is seeking consensus from the Finance Committee to place the bid proposal and alternates 1 & 2 from Sawvell Tree Service in the amount of \$41,250 (\$28,445 under budget) on the consent agenda at the September 27, 2023 Regular Meeting.

The Finance Committee supports staff recommendation to place the bid proposal and alternates 1 & 2 from Sawvell Tree Service on the consent agenda for the September 27, 2023 Regular Meeting.

B. *Capital Vehicle Purchases*

Director Voss reported that staff are seeking consensus from the Finance Committee to place the following capital vehicle purchases on the consent agenda at the September 27, 2023 Regular Meeting a Ford F550 chassis with a dump bed and V-box salt spreader from Sutton Ford and Monroe Truck Equipment in the amount of \$118,000, a Ford F450 chassis with a dump bed and tommy lift from Sutton Ford and Monroe Truck Equipment in the amount of \$75,000, and three (3) Ford F250 4x4 pickup trucks with snow plows from Sutton Ford and Monroe Truck Equipment in the amount of \$168,615. The vehicles being replaced have exceeded their lifespans (over 10yrs old) and ongoing maintenance and repairs are costly.

Staff received consensus from the Finance Committee to place the above-mentioned capital vehicle purchases on the consent agenda at the September 27, 2023 Regular Meeting.

C. 2023 Cunniff Park Maintenance Building Restroom Improvements project

Director Smith shared images of the maintenance building and the restrooms. The scope of work includes demolition of the fixtures, accessories, ceilings, storage area roll door and interior wall, entrance walk, replacement of 3 exterior doors/frames, installation of new fixtures, accessories, ceilings, wall and exterior siding repair, new flooring, painting interior walls and ceilings, exterior siding, and new doors/frames, and installation of a new ADA entrance walk. The District received five bids: Absolute Home Improvements, Ampol Group Inc. MAG Construction, Blue Reef LLC, and Kandu Construction. The low bidder is Absolute Home Improvements. This contractor has favorable references and experience working with the Park District. There is \$80,000 in the capital budget for the project. The bid from Absolute Home Improvements is \$28,000 under budget.

Staff received consensus from the Finance Committee to place the bid from Absolute Home Improvements on the consent agenda at the September 27, 2023 Regular Meeting.

Commissioner Ruttenberg is not pleased with the exterior of the building. He would like staff to beautify the exterior of the building. Commissioner Bernstein requested that staff paint the exterior of the building. He recommends staff use the Cart Barn at Sunset Valley Golf Club as inspiration.

D. 2023 Districtwide Sign Installation bid

Director Smith reported that the bid includes the installation of 51 signs to be installed at 9 park sites. Staff received two (2) bids. The low bidder was Absolute Home Improvements at \$29,500, which is \$5,500 under budget. Staff is seeking consensus from the Finance Committee to place the bid proposal from Absolute Home Improvements on the consent agenda at the September 27, 2023 Regular Meeting.

Staff received consensus from the Finance Committee to place the bid from Absolute Home Improvements on the consent agenda at the September 27, 2023 Regular Meeting.

Centennial Ice Arena Monthly Financial Update

Manager Sassorossi provided a Financial update of Centennial Ice Arena, highlighting challenges and successes. Manager Sassorossi reminded the Committee that ice was taken out on May 27, 2022. Renovations began September 2022. The Highland park Giants Hockey returned March 21, 2023, and the Falcons Hockey Association returned April 3, 2023. Figure skating classes resumed April 10, 2023. Unfortunately, the dehumidified and Zamboni broke in the late spring/early summer. The new Zamboni arrived in August. The renovation was completed on August 28.

She reviewed the 2023 budgeted revenues and expenses vs. actuals, noting that staff are projecting an \$86,000 deficit, this is attributed to lost revenues from daily fees and skating during the repairs and utilities expense coming in over budget. Thankfully, gymnastics enrollment is higher than budgeted, and staff are renting out more ice time to hockey groups and hockey tournaments to help offset the loss.

Capital Budget and 10-Year Funding Model Review

Director Peters reviewed the budget timeline.

Director Smith reviewed the capital plan prioritization tiers, noting that tiers 1-3 are safety and legal compliance, critical repairs, and scheduled replacements (highest priority), tiers 4-5 are improving existing items and new items, and tier 6 are unbudgeted items.

Director Peters reviewed the Capital Plan Ten-Year Funding Model for tiers 1-3, highlighting annual transfers to the capital fund and bond issuance years.

President Grossberg would like to know when the last bond issuance was.

Director Peters reported the Park District has a bond issuance in 2021.

Commissioner Bernstein requested a presentation on debt issuance and how it impacts taxpayers.

Director Peters reviewed the Capital Plan Ten-Year Funding Model for tiers 1-5, highlighting annual transfers to the capital fund and bond issuance years. Staff are recommending transferring an additional \$1 million from the Recreation Fund as of December 31, 2023, due to some cost centers having significant surpluses to ensure annual ending balances are healthy and able to support tiers 1-5 capital projects over the next ten years.

Commissioner Bernstein commended staff and supports their transfer recommendation.

Director Smith provided a detailed review of the Five-Year Capital Plan going through each line item by Parks and Facilities.

Commissioner Bernstein supports any project to enhance Sunset Valley Golf Club since the facility continues to operate at a significant surplus.

Commissioner Bernstein commended staff for providing such a detailed report.

Five Year Employee Salary, Insurance, and IMRF Trends Financial Analysis Report

Director Hall reported several factors that caused wage fluctuations over the past years, noting Illinois minimum wage increase, health insurance costs continue to rise, COVID pandemic showed a decrease in employee wage costs with furloughs, and fewer operational staffing costs due to limited programming and facility closure, employee wage freezes in 2020 and 2021, a higher than average employee turnover in recent years, high inflation in recent years, and compensation adjustments made with the 2022 compensation study for full-time employees.

She reviewed graphs showcasing employee pay, FICA, IMRF, and health insurance costs from 2018 – 2023.

Other Business

Director Peters reported that today is the deadline for proposals for the Recreational Services of an Enterprise Facility at 2205 Skokie Valley Road. Staff will be forming a project Committee. If members of the Park Board would like to be liaisons, please contact Executive Director Romes. Staff will provide an update at the September 27, 2023 Regular Meeting.

Open to the Public to Address the Board

None.

Finance Committee Meeting Minutes
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Adjournment

The meeting adjourned at 9:43 a.m.

Respectfully submitted,

Roxanne Hejnowski

Roxanne Hejnowski, Assistant Secretary