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FINANCE COMMITTEE OF THE WHOLE

Glenview Park District – Park Center
2400 Chestnut Avenue, Glenview, IL 60026
Regular Meeting Minutes
Tuesday, April 10, 2018 @ 6:00 p.m.

1. Roll Call

President Bob Patton called the meeting to order at 6:00 pm and the roll was called.

Commissioners present: Jen Roberts, Dave Tosh, Angie Katsamakakis, Dave Dillon, Bob Patton, Dan Peterson, Bill Casey

Official Staff present: Executive Director Mike McCarty, Deputy Executive Director Katie Skibbe, Superintendent of Leisure Services Elsa Fischer, Superintendent of Special Facilities Lori Lovell, Superintendent of Park and Facility Services Jim Warnstedt, Manager of Business Services Nicole Hopkins

Late Arrivals, Early Departure: None

Commissioners/Official Staff absent: None

2. AGENDA TOPICS

a. Budget for Fiscal Year 2018-2019

Executive Director Mike McCarty reflected over the major highlights for the Park District that occurred in the 2017/2018 Fiscal Year, including the 2018-2028 Comprehensive Master Plan, 2018-2021 Strategic Plan, and the success of the referendum passing in March 2018. In addition, he gave an overview of the newly refined mission and vision statements as well as guiding principles. All of which were taken into account in aligning with the budget process.

Deputy Executive Director Katie Skibbe further reflected on several other highlights that occurred in the prior fiscal year, such as the completion of the Ice Center feasibility study, the development of 5 year projections, changes made to the Capital Replacement fund, and receiving the GFOA Award for Excellence in Financial Reporting. Skibbe also provided an overview of the objectives in developing the budget which included delivering exceptional programs and services to the community, providing well maintained, safe and accessible park and facilities, the ability to attract and retain quality staff while providing the tools provide excellent customer service and maintain fiscal responsibility.

Deputy Executive Director Skibbe reported that the budget process is the culmination of a year-long process of many Board approved decisions and direction including the tax levy, employee merit increase pool, salary ranges, capital replacement purchases and the annual recommendations pertaining to fees and operations of major park district facilities. She also reported some of the major initiatives for the upcoming 2018/2019 Fiscal Year including the referendum projects, Portage Run property acquisition using the LAWCON grant and Grove Heritage Association funds, Wagner Farm projects as well as the partial abatement of debt service from the Capital Development fund. She concluded with an

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overview highlighting the first initiatives that were developed in the Strategic Plan and Master Plan for 2018/2019 Fiscal Year and an overview of the budget assumptions, including a slight increase in property taxes, fully staffed operations with no additional staff, stable participant usage and moderate fee increases as well as a continued shift of Special Facilities General and Administration expenses to Corporate funds and the issuance of alternate revenue bonds and General Obligation bonds.

Staff presented a budget of \$40,573,543 for the fiscal year beginning May 1, 2018, which is a significant increase over the projected 2017/2018 year-end expenditures primarily due to the projects related to the referendum. An operating budget of \$26,283,911 was reported as 7.6% over the 2017/2018 projected ending balances, but less than a percent increase over the 2017/2018 budget. The revenue budget increased significantly to a total of \$67,143,632 due to the planned debt issuance of \$27 million and the usage of \$5.2 million in Developer Donations. Staff budgeted to issue all debt in 2018/2019, but all debt proceeds will not be spent during this fiscal year.

Staff presented an overview of the budgeted revenues and expenses for the 2018 referendum, including the expenses for the Ice Center renovation, improvements to The Grove entrance and parking, The Grove Interpretative Center renovation, The Grove filter system replacement and land acquisition.

The budget projected that the reserves as of April 30, 2019 will be \$49,976,541, of which approximately \$26 million is attributed to the timing of debt issuances and projects related to the referendum. There are significant fund balances in the Capital Replacement fund, \$10,031,383, and in the Capital Development fund, \$3,077,449. The Capital Replacement fund is the planned savings for replacement of specified fixed assets when they reach the end of their useful life. Most funds are at or above target reserve levels, with the exception of the Special Facilities. Steps continue to be taken in the 2018/2019 budget to help build necessary reserves for the Special Facilities (Glenview Park Golf Club, Glenview Tennis Club, Glenview Prairie Club, and Glenview Ice Center) by using the Corporate fund to pay the General and Administrative charges that are allocated to those facilities.

Staff presented the breakdown of the total revenue of \$67,143,632 and the total expenses of \$40,573,543. While the park district's budget for operations is relatively consistent from year to year, the major budgeted capital projects attributed to the major variation in this year's total budget. Projects include the design and engineering of the Ice Center renovation, the improvements to the entrance of The Grove, as well as the design and engineering of the Interpretive Center at The Grove.

Variations in the operating budget are primarily attributed to filling staff positions that were temporarily vacant in the prior year, increased training expenses due to Districtwide critical incident training, and additional costs for the District's liability insurance. Operating Revenue variations are due to increased concession sales at Flick and Roosevelt Pools, increased Admission Revenue due to the return of the Theatre Guild, and modest fee increases resulting in additional Program Revenue. No new positions are being added to the full-time headcount for the 2018/2019 budget.

Commissioner questions and discussion included items related to the cost of redesigning the District website, the indoor space study at Park Center, renovating Flick field house, the projected net loss from the Cafe and contract terms with Kemper Sports Management,

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the sustainability of relieving operating facilities from paying their share of General and Administrative and/or capital replacement costs, trends in recreation program enrollments and the financial performance of paddle tennis and golf at Glenview Prairie Club.

The committee felt that additional discussion should take place over the next year at the committee level on the following topics:

- To review the financial performance of paddle tennis and golf at the Glenview Prairie Club.
- To consider eliminating the negative fund balance at Glenview Park Golf Club.
- To review options for addressing the declining enrollment and reduction in user fees for recreation programs.
- To have further discussion on funding the replacement of high-cost assets and facility renovations.

3. Other

None

4. Matters from the Public

None

5. Adjourn

Commissioner Angie Katsamakidis moved seconded by Commissioner Jen Roberts to adjourn the Open Session at 8:20 pm. On Voice Vote: All present voted aye, motion carried.

ATTEST:

Robert J. Patton
Board President

Michael D. McCarty
Board Secretary

Approved this 24th day of May 2018