



Skokie Park District



FINANCE COMMITTEE MEETING MINUTES Monday March 7, 2016

The Finance Committee Meeting of Monday, March 7, 2016, was called to order by President Michael Reid at 6:43 p.m. In attendance were President Reid, Vice-President Yanes and Commissioners Aberman and Clarito. Commissioner Alter was absent. Staff in attendance included Director John Ohrlund, Superintendent of Recreation and Facilities Michelle Tuft, Superintendent of Parks Mike Rea, Marketing Manager Jim Bottorff, Assistant Superintendent of Recreation Jon Marquardt, Skatium Manager Frank Gallagher, Office Manager Dima Kirland and Superintendent of Business William Schmidt.

Budget Presentation by Fund

Director Ohrlund opened the meeting with an introduction on the budget, the format of this year's budget presentation, and the overall strong state of the financial picture of the Skokie Park District. He then reviewed the Vision Statement, Mission Statement and the Core Values of the District. A comprehensive detailed analysis of the Skatium Ice Arena will be explained by Michelle Tuft and Skatium Manager Frank Gallagher. Mr. Ohrlund noted Mr. Gallagher's 40 years of dedicated service to the District. Director Ohrlund introduced Superintendent of Business Bill Schmidt who took the Committee through the budget.

Mr. Schmidt started with the overall summary of all of the funds, operating, auxiliary and capital, showing the addition to fund balances and the use of these fund balances to finance capital projects. Mr. Schmidt pointed out the assumptions highlighted in the budget book. Included in this budget is the transfer of fund balance dollars from the Corporate and Recreation Fund of \$500,000 each if available, into the Major Projects Fund to help fund upcoming major projects, mainly Sports Park East. Other differences include utility, health and 3% salary pool increases along with the philosophy change in the funding for the July Fourth Parade Committee from \$13,000 to \$8,000 to reduce the excess fund balance. Mr. Schmidt described the Corporate Fund (#10), administration area only, explaining the highlights of the center.

After answering all questions, Mr. Schmidt introduced Jim Bottorff, Marketing Manager who made a detailed explanation of the Marketing and Sponsorship activities. Mr. Bottorff highlighted some areas of increased marketing for next year including teens and golf. Mr. Bottorff went through the fundraising process and how those dollars get transferred out to various events and festivals. Commissioner Aberman questioned the lack of growth in corporate sponsorship. The District is hoping Skokie Sports Park East will be able to attract some large sponsors or naming rights.

When all questions were answered, Mr. Bottorff introduced Mike Rea who took the Committee through revenues and expenses at both Park Services and POOCH Park. Mr. Rea began by expressing the great job the men and women of Park Services do in support of the rest of the District. One new item at the dog park will be the installation of

card swipe security gates. Commissioner Aberman questioned POOCH Park passes and why 2016 was down and what causes 2017 to be so much higher. The District stopped charging non-resident rates for dog passes and with installation of security gates pass sales are expected to increase.

After answering all the questions, Mr. Rea introduced Ms. Tuft who took the Committee through the Revenue Facilities Fund. Ms. Tuft started with the summary of Fund 40 showing a positive return of \$46,222 without the benefit of any tax dollars. This Fund is highly weather dependent. Ms. Tuft discussed the Skatium facility in detail by operation and function. Mr. Gallagher gave a synopsis of the mechanical issues the rink encountered this fiscal year and is confident we have seen the end of the leaks. Mr. Gallagher praised Skating Supervisor Kerry Murphy and Hockey Supervisor Steve Glickman for their outstanding programs. Commissioner Aberman asked about the rink at Westfield Old Orchard. Ms. Tuft explained that the Westfield rink will always be at least a break even operation. It represents great exposure for the Skatium. Westfield reimburses the District on any shortfalls. Ms. Tuft continued with the balance of the fund starting with the Dammrich Rowing Center which now shows a profit which pleased Commissioner Aberman. Ms. Tuft next discussed Skokie Sports Park and Weber Golf Course. As a combined operation golf is still contributing positively to the bottom line. Fling golf has not drawn any interest but foot golf has. There will be an increase in marketing to promote this activity. Ms. Tuft went on to aquatics as a whole which in fiscal 2017 is based on a "normal" summer. Outdoor aquatics are very weather related. With all questions being answered, Ms. Tuft introduced Mr. Jon Marquardt who discussed athletic camps and athletics as a whole. athletics, classes, pickleball and CSL basketball are showing more interest and Middle School Sports Camp numbers should improve in 2017.

Mr. Marquardt presented Fund 20, Recreation Fund. Administration, camps, Devonshire Cultural Center, Oakton Community Center, childcare, teens, special events and festivals are all a part of the Recreation Fund. Administration is where property taxes are collected and expenses include the cost of the administrative staff and allocations. Camps were next where the District shows a nice return on summer programs. Commissioners brought up an error in projected 2016 material expense in the neighborhood playground camps.

Mr. Marquardt then discussed Devonshire Cultural Center including administration, preschool programs, cultural arts, children's programs and the Devonshire Playhouse. Questions were asked concerning the cultural arts portion on actual results compared to budget. Mr. Marquardt explained three reasons; aggressive budgeting, high schools teaching music after school and new local dance studios in the area. Mr. Marquardt continued with an analysis of the Oakton Community Center including administration, senior programs, adult programs, Still Acting Up and the Exploritorium. Highlights were the Exploritorium and an increase in senior trips mainly due to the purchase of an additional senior bus.

Mr. Marquardt moved on to childcare which includes Tot Learning Center and SPACE. Revenues continue to increase as the District expands the SPACE program into more schools. Tot Learning Center continues to be at capacity and offering the top day care facility in the area. Mr. Marquardt reported the District is continually looking to find ways to get more teens involved. A marketing blitz is planned for 2017. Recently trips have been well attended. Mr. Marquardt next discussed special events and festivals listing all

of the events the Park District offers. The Village of Skokie continues to contribute funds to the major special events.

Mr. Marquardt then addressed the Museum Fund. Mr. Marquardt highlighted the major changes in the Museum Fund which includes administration, Emily Oaks Nature Center, and Skokie Heritage Museum. With no further questions from the Committee, Mr. Marquardt turned the meeting over to Mr. Schmidt.

Mr. Schmidt covered the auxiliary funds; Special Recreation, IMRF, Liability, Social Security, Audit and Debt Service. The major highlights were the employer rate in IMRF and the fact that the District pays a higher portion to MNASR because the payout is based on Equalized Assessed Valuation (EAV) and Skokie is the largest agency.

Mr. Schmidt then introduced Mr. Ohrlund who gave an analysis of the Capital Funds and explained the difficulty in selecting projects where there is more need than funding. Mr. Ohrlund reminded the committee of all the current year capital projects completed including the replacement of the McNally Park playground, basketball and tennis courts, path and parking lot work, flooring and seating replacement at Devonshire Cultural Center, replacement of the west fence at Emily Oaks Nature Center, pickleball conversions at Hamlin Park and Lauth Park, interior painting and door replacement at Oakton Community Center, HVAC/mechanical work and the replacement of a pickup, large mower, golf work carts, ergs at Dammrich Rowing Center and exercise equipment at Fitness First. Mr. Ohrlund handed out a five year timeline on capital projects to the Committee and specifically talked about the Major Capital Projects Fund which includes renovation of Weber Leisure Center and the development of Sports Park East.

Mr. Ohrlund introduced Mike Rea who gave a summary of the Building Improvement and Vehicle and Equipment Fund Projects for FY 2017, detailing each line item in these two funds.

Mr. Ohrlund thanked the staff for their time and effort and described to the Committee procedural steps for approval.

It was the consensus of the Finance Committee to prepare a Tentative Budget and Appropriation Ordinance for approval at the March 15, 2016 meeting of the Board of Park Commissioners so it can be put on review for the public for the thirty day period in order to meet the legal requirements.

With no more business to discuss, the meeting was adjourned by President Reid at 8:58 pm.

Michael Reid
President

John V Ohrlund
Secretary