



Skokie Park District



FINANCE COMMITTEE MEETING MINUTES

Thursday March 14, 2019

The Finance Committee Meeting of Thursday, March 14, 2019, was called to order by Chairman Michael Alter at 6:32 p.m. In attendance were President Aberman, and Commissioners, Reid, Yanes and Khoeun. Staff in attendance included Director John Ohrlund, Superintendent of Recreation and Facilities Michelle Tuft, Marketing Manager Jim Bottorff, Assistant Superintendent of Recreation Jon Marquardt, Superintendent of Parks Michael Rea, Landscape Supervisor Steve Ames, Operations Supervisor Jeff Hacker, Parks Supervisor John Gacki, 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 challenge in preparing this year's budget. Aging infrastructure will be an ongoing challenge in upcoming years. The payment of the sale of 7701 was also discussed with the delay in receiving funds from Sherman Dodge. He then reviewed the Vision Statement, Mission Statement and the Core Values of the District. A comprehensive detailed analysis of the Park Services Maintenance area was the focus of this year's presentation by Mike Rea and his Supervisors. 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/deletion 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. Assumptions include the use of Recreation Fund balances to pay for some major capital items and the use of the Corporate Fund to pay for interest expense for the Alternate Revenue Source (ARS) Bonds. Other assumptions include utility, health and 3% salary pool increases along with the increase in the minimum wage which has District wide affect throughout all programs. 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 aquatics and golf. Mr. Bottorff went through the fundraising process and how those dollars get transferred out to various events and festivals. President Aberman asked about the brochure allocation which Mr. Bottorff answered by showing what print materials were being planned for 2019-2020.

When all questions were answered, Mr. Bottorff introduced Michael Rea who took the Committee through revenues and expenses at both Park Services and POOCH Park. Mr. Rea began by introducing Landscape Supervisor Steve Ames, Operations Supervisor Jeff Hacker and Parks Supervisor John Gacki. The highlights of the Park

Services budget included increases in Park Monitor salaries in case the Skokie Police request additional staff to monitor specific parks, Mobile Radios lower due to FY 2019 moving of the radio tower from 7701 to 7500, Portable Restrooms increase due to longer season and an increase in locations, additional holiday lighting and shrubbery, renovating sign beds and renovating of shrubbery areas at Veterans and Lockwood Parks. Also increases in improving Hamlin Park irrigation on the new south soccer field, electrical repairs at Terminal Park lighting, more propane gas usage which has diesel and gasoline fuel cost go lower. Parking lot repairs will see a repair of TLC drive/drop-off areas and the repair of Park Services building electrical panel. Mr. Rea also analyzed POOCH Park highlighting that passes are budgeted to increase due to getting the electronic gates to work once communication lines are brought to Channelside Park.

After answering all the questions, Mr. Rea introduced Jon Marquardt who 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. These property taxes help fund other areas within the Recreation Fund. Camps were next where the District shows a nice return on summer programs. President Aberman asked why the minimum of 25% return was not being met in FY 2020. Due to increase in minimum wage this will not be attainable in FY 2020 but will be built back up in future years.

Mr. Marquardt then discussed Devonshire Cultural Center including Administration, Preschool Programs, Cultural Arts, Children's Programs and the Devonshire Playhouse. Mr. Marquardt explained that Cultural Arts (mainly dance and music) are making a comeback after a few years of being down.

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 where revenues have been increasing. Tot Learning Center continues to be at capacity and is one of the top day care facilities in the area. SPACE program is being affected hard by increase in salaries due to increased staff and minimum wage and we will look to recoup these additional costs in future years. Mr. Marquardt reported the District is continually looking to find ways to get more teens involved. Mr. Marquardt next discussed special events and festivals listing all of the events the Park District offers. President asked about the increase in water at the Garden Plots. The FY 2019 number was extremely high but the readings appeared correct. Park Monitor will keep an eye out for next year. The Village of Skokie continues to contribute funds to the major special events. Mr. Jon Marquardt discussed Athletics as a whole. Athletics, Pickle Ball and CSL basketball are showing more interest. Included next year is an increase in field permits for the use of Sports Park East for soccer and cricket.

After answering all questions from the Committee, Mr. Marquardt introduced Ms. Tuft. Ms. Tuft took the Committee through the Revenue Facilities Fund. Ms. Tuft started with the summary of Fund 40 showing a negative return of (\$147,306). Allocations are a main reason for this negative balance. This will be addressed in future budget years. This Fund is highly weather dependent. Athletic Classes have been moved from Athletics area to be a part of the Weber Center activities. Also a new extended camp was added

to the camp program and put under the Weber Center facility. Ms. Tuft continued with the balance of the fund starting with the Dammrich Rowing Center which now shows a slight profit. Ms. Tuft next discussed Skokie Sports Park and Weber Park Golf Course. Ms. Tuft went on to the Skatium which is showing great attendance in both hockey and figure skating programs. It was a difficult ride for the Skatium staff in first budgeting to be closed for renovations then asked to redo because renovations were put on hold. Next Ms. Tuft addressed aquatics as a whole which in fiscal 2020 is based on a "normal" summer. Outdoor aquatics are very weather related. Indoor swim lessons are showing a better return this year and next because it is now a strictly park district program. Athletic camps continuing to meet profit goals and are now under the leadership of Breanne Labus. With all questions being answered, Ms. Tuft introduced 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 that the District is 100% funded in their pension based on market factors and the planned installation of updated security cameras at Sports Park.

Mr. Schmidt then introduced Mr. Rea who gave an analysis of the Capital Funds and explained the difficulty in selecting projects where there is more need than funding. Mr. Ohrlund mentioned that the Committee was given a five year timeline on capital projects. Mr. Rea also gave a summary of the Building Improvement, Vehicle and Equipment Fund and Recreation Capital area projects for FY 2020, detailing each line item in these three funds. Included in the projects is \$76,000 of Fitness First weight equipment to be replaced. The highlight of next year's projects is the renovation of Laramie Park.

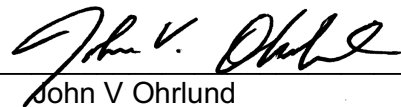
Mr. Ohrlund thanked the staff for their time and effort and described to the Committee procedural steps for approval.

It was the consensus of the Finance Committee to prepare a Tentative Budget and Appropriation Ordinance for approval at the March 19, 2019 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 further business to discuss, the meeting was adjourned by Chairman Alter at 8:36 pm.



Mike Alter
John V. Ohrlund
Finance Committee Chairman
Secretary



John V Ohrlund
Executive Director