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**MINUTES
ADMINISTRATION AND FINANCE COMMITTEE
October 23, 2018**

1. Roll Call:

A regular meeting of the Hoffman Estates Park District Administration and Finance Committee was held on October 23, 2018 at 7:10 p.m. at the Triphahn Center in Hoffman Estates, IL.

Present: Commissioner Bickham, Comm Rep Chhatwani, Utas, Winner (7:12), Wilson, Chairman Kilbridge

Absent: Comm Rep Musial

Also Present: Executive Director Talsma, Director of Finance and Administration Hopkins, Director of Recreation Kapusinski, Director of Parks, Planning and Maintenance Hugen, Director of Golf and Facilities Bechtold

Audience: President Kaplan, Commissioner Kinnane, McGinn, K. Evans and Superintendent of C&M Manisco

2. Approval of Agenda:

Comm Rep Utas made a motion, seconded by Comm Rep Wilson to approve the agenda as presented. The motion carried by voice vote.

3. Approval of Minutes:

Comm Rep Wilson made a motion, seconded by Comm Rep Chhatwani to approve the minutes of the September 18, 2018 meeting as presented. The motion carried by voice vote with Comm Rep Winner (arriving at 7:12) abstaining.

4. Comments from the Audience:

None

5. Old Business:

None

6. New Business:

A. Limited Bond Issue Ordinance O18-009/M18-106:

Director Hopkins reviewed the report noting that it was to fund certain portions of the district's outstanding bond interest and to supply funds for the 2019 capital projects. Executive Director Talsma explained that it was the standard issue.

Commissioner McGinn asked about last year's amount and Executive Director Talsma noted that it was approximately the same.

Comm Rep Utas asked about the ice rink project and Executive Director Talsma explained that it would be discussed in detail during the budget process on November 13th and that they were looking at the repairs/reconstruction of Rink 1. He explained that this bond was for the 2019 capital projects and would not be used for that project. He also explained that he was working with the Wolves on their possible investment of this repair.

Comm Rep Wilson made a motion, seconded by Comm Rep Chhatwani to recommend the A&F Committee recommend the Board approve Ordinance O18-009 for the issuance of \$2,750,000 of Limited Bonds as outlined in M18-106. The motion carried by voice vote.

B. Payment Card/M18-103:

Director Hopkins reviewed the memo explaining that the Capital One card was the best option moving forward.

Chairman Kilbridge asked what the average charge was on the American Express. Executive Director Talsma noted that he did not have that average at this time. She asked what the difference was between the department and individual cards and Executive Director Talsma explained that the individual cards were issued to the Division Directors while the department cards were available to staff for purchases. He noted that they could be looking at \$10,000 annually in rebates from Capital One, however, those funds would no longer be issued to the Friends of HE Parks Foundation. He also explained that more vendors would accept the Capital One than the American Express.

Discussion ensued regarding the loss of rebates in 2017 due to the fraud and re-issuance of the American Express Cards. However, American Express did not re-enter the new cards for points and have been unwilling to make good on the rebates for the purchases during that time.

Commissioner McGinn asked when they would change and Executive Director Talsma explained that they could still use the American Express cards, but that they would no longer be registered for the rebate point system and staff would simply start using the Capital One card as it became available.

Comm Rep Winner asked about the cost of using credit cards and Executive Director Talsma noted that the district received a government rate of approximately 2.65%. Director Hopkins explained that there was a different rate for internet use, swiping at the time of purchase and inputting card numbers at a registration date.

Comm Rep Utas asked about the Foundation and what Amazon Smiles brought to their budget. Executive Director Talsma noted that Amazon Smiles was only \$100's and would not make up the loss.

Comm Rep Utas made a motion, seconded by Comm Rep Chhatwani to recommend the A&F Committee recommend the Board approve moving forward with utilizing the Capital One Master Card as the district's preferred payment card. The motion carried by voice vote.

C. Natural Gas Contract Renewal/M18-107:

Executive Director Talsma reviewed the memo explaining that the contract would expire in October. He noted that a fixed contract was easier to budget and hoped to lock in under 3.5/ dekatherm.

Commissioner K. Evans asked if the recommendation should have a not to exceed amount and it was agreed to amend the recommendation to include a not to exceed 3.65/dekatherm.

Comm Rep Winner made a motion, seconded by Comm Rep Chhatwani to recommend the A&F Committee recommend the board authorize staff to enter into a fixed rate contract for natural gas not to exceed 3.65/dekatherm for a period of one to three years based on the best available price for the respective supply as obtained from the competitive quotes obtained by McDonnell Energy consultant. The motion carried by voice vote.

D. Surplus Ordinance O18-008/M18-101:

Executive Director Talsma reviewed the item.

Comm Rep Winner asked about the miles and staff did not have the exact number but noted that it was high and that the vehicle was used to go to and from the north shop.

Comm Rep Wilson made a motion, seconded by Comm Rep Chhatwani to recommend the A&F Committee recommend the board approve Ordinance O18-008 "Ordinance Authorizing the Disposal, Sale or Trade-In of Surplus Property Owned by the Hoffman Estates Park District" and as outline in M18-101. The motion carried by voice vote.

E. Admin & Finance report and 3Q Goals 2018/M18-104:

Director Hopkins noted that the budget process was in its final stages for review by staff.

Commissioner Bickham asked about the GPS reimbursement and Director Bechtold noted that the district was working to get their deposit of \$8,900 back.

Chairman Kilbridge noted that the fundraising was doing well and complimented Adv and Spons Manager Graham. She also asked what PCI Certification was and Director Hopkins explained that it was the credit card certification.

Commissioner Bickham asked about the alternative revenue and Executive Director Talsma confirmed that there was \$50,000 earned in Q3.

Comm Rep Winner made a motion, seconded by Comm Rep Chhatwani to recommend the A&F Committee send the A&F Report and 3Q Goals2018 to the board as presented. The motion carried by voice vote.

F. Open and Paid Invoice Register:

Chairman Kilbridge asked about the payments to Chicago Title and it was noted that as part of the OSLAD grant, all properties had to have proof of title insurance.

Comm Rep Wilson made a motion, seconded by Comm Rep Chhatwani to recommend the A&F Committee recommend the board approve the Open and Paid Invoice Register in the amount of \$688,782.05. The motion carried by voice vote.

G. Revenue and Expenditure Report/Financial Analysis:

Director Hopkins reviewed the Financial Analysis as of September 30, 2018 noting those areas that would be projected to be under and/or over budget as outline in the report.

Commissioner McGinn asked about remaining cell tower contracts and Executive Director Talsma noted that WRC and Cannon Crossings remained.

Comm Rep Winner asked about the Marquee Sign budget and if they were all rented why revenue was down. Executive Director Talsma explained that they had lowered to cost and continued to review the pricing on the rental of the signs.

Comm Rep Winner asked about the Social Media Position and Executive Director Talsma noted that they were reviewing the hours for that position and that Superintendent Manisco was covering those responsibilities.

Commissioner Bickham asked about the impact of Sears and Executive Director Talsma explained that they did not have a large fitness membership at PSSWC.

Comm Rep Utas asked about tennis and Director Hopkins explained that they were looking at the tennis contracts. Director Bechtold noted that they were looking at a single fee for the camps and lessons and ways that PSSWC could increase tennis memberships.

President Kaplan asked about the Wolf Pack and Executive Director Talsma reminded everyone that they had decided to lower the Wolf Pack fees while rebuilding the program.

Chairman Kilbridge thanked staff for the Analysis noting that it was very helpful.

Commissioner McGinn asked about the Youth Soccer and Executive Director Talsma noted that HUSC Travel Soccer had changed to a rental and it impacted where the funds were recorded. He explained that they were reviewing the cost of rentals to remain competitive in the market. He also explained that the district had a policy regarding the rental of fields for profit to prevent other organizations from competing with our in house programs.

Comm Rep Winner made a motion, seconded by Comm Rep Chhatwani to recommend the A&F Committee recommend the board approve the Revenue and Expenditure Report/Financial Analysis as presented. The motion carried by voice vote.

7. Committee Member Comments:

Commissioner Bickham encouraged everyone to attend some of the many Halloween programs happening as well as the 5K Race at BPC.

Comm Rep Utas noted he had attended Pumpkin Fest and it was very great. He also noted that the coaching for hockey was much improved, however, he was concerned that the number of players per team was reduced explaining that it equated to fewer lines per team meaning that the kids were always on the ice and running out of energy before the game was done. He encouraged staff to make sure that they had the same number of players per team as their competitors.

8. Adjournment:

Comm Rep Utas made a motion, seconded by Comm Rep Chhatwani to adjourn the meeting at 8:12 p.m. The motion carried by voice vote.

Respectfully submitted,

Craig Talsma
Secretary

Peg Kusmierski
Recording Secretary