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**MINUTES**  
**ADMINISTRATION & FINANCE COMMITTEE**  
**April 23, 2019**

**1. Roll Call:**

A regular meeting of the Hoffman Estates Park District Administration & Finance was held on April 23, 2019 at 7:22 p.m. at the Triphahn Center in Hoffman Estates, IL.

Present: Chairman Kilbridge, Comm Reps Chhatwani, Musial, Utas and Wilson

Absent: Commissioner Bickham and Comm Rep Winner

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, Commissioners R. Evans, McGinn, Kinnane and K. Evans

**2. Approval of Agenda:**

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

**3. Approval of the Minutes:**

Comm Rep Utas made a motion, seconded by Comm Rep Wilson to approve the minutes of the March 26, 2019 meeting as presented. The motion carried by voice vote.

**4. Comments from the Audience:**

None

**5. Old Business:**

None

**6. New Business:**

**A. Playground Install at Willow and Community Parks/M19-039:**

Executive Director Talsma reviewed the item noting that it would generally go to the B&G Committee and while they had been updated on this information, not all the references had been verified prior to last week's B&G meeting.

Director Hugen noted that George's Landscaping had done work for the district in 2015 but staff was still required to check those references prior to awarding them as the low bidder. He noted that they would be installing the playground equipment and doing the concrete for the Splash Pad at Willow.

Comm Rep Utas asked if the district did not install playgrounds in-house and Director Hugen explained that they did not have the equipment to install the large playgrounds. Executive Director Talsma noted that in-house could remove playground equipment.

Comm Rep Musial expressed concern over the pricing discrepancies and Director Hugen explained that it was due to each contractor's mark up.

Commissioner Kinnane asked about certified payroll and Director Hugen explained that the district had always collected certified payroll prior to releasing payment, however, the law had changed and the contractors were now required to submit that payroll to the State of Illinois and it was their job to certify that payroll.

Comm Rep Wilson made a motion, seconded by Comm Rep Chhatwani to recommend that the Board approve a contract with George's Landscaping for the installation of playground equipment at Willow and Community Parks for the low bid price of \$114,005.50.

In addition, staff recommends the A&F Committee recommend the Board approve a contingency of 5% (\$5,700) be made available for extras deemed necessary by staff to complete these projects as outlined in M19-039. The motion carried by voice vote.

**B. A&F Report and 1Q2019 Goals/M19-042:**

Director Hopkins reviewed the report noting that IMRF had dropped their rate from 7.5% to 7.25% creating a shortfall that the district would be responsible to make up. It was determined to make this in a one-time increase rather than amortize the increase over 10 years.

Comm Rep Musial asked what benefit the district would see doing a onetime payment versus the amortize and Executive Director Talsma noted that the district would owe IMRF the amount longer and there would be 7.5% imputed interest and felt the district would be better off without the debt.

Commissioner Kinnane asked about IMRF's history of overvaluing their performance and Director Hopkins noted that it was the second time she had seen it in 20 years. He asked if IAPD or others had put pressure on IMRF to adjust their percentages and Executive Director Talsma noted that again, IMRF does not usually adjust.

Comm Rep Musial explained that if IMRF continued to make less on their investments and underfund the account; if they reached the 60% they would be shut off. It was also noted that the IMRF funds were credited by district and therefore the underfund would only impact the specific district. It was noted that the Hoffman Estates Park District had been 100% funded.

Comm Rep Utas asked if this might happen again and Director Hopkins noted that there could be another small flux but that IMRF was usually very stable. Executive Director Talsma noted that the district's IMRF fund held a buffer of a few \$100,000's.

Director Hopkins noted that WRC and TC passes were being converted and that should make the passes easier to sell and more similar to all passes across the board.

Director Hopkins reviewed the Financial Analysis. Commissioner McGinn asked if there was a plan to increase The Club's fees to make up the lost revenue. Director Bechtold explained that staff would be keeping an eye on that option but that presently they were working to reduce cancellations.

Executive Director Talsma explained that staff was working on an analysis for the Club.

Chairman Kilbridge asked about tennis leagues and Director Bechtold explained that they needed 5 courts for leagues and 4 courts for tournaments.

Comm Rep Utas asked about the Mohan Group and Director Hopkins explained that they were retiring and closing the business. Executive Director Talsma explained that the district was looking for a partner with a similar mission to the district to rent the space to.

Comm Rep Wilson made a motion, seconded by Comm Rep Utas to send the A&F Report M19-042 to the board as presented. The motion carried by voice vote.

C. Open and Paid Invoice Register:

Comm Rep Utas asked how much merchandise was sold at the BPC proshop and Director Bechtold noted that it was about \$170,000-\$180,000 primarily golf balls, gloves. He also explained that they did not take on any items that could not be returned at the end of the season.

Comm Rep Wilson made a motion, seconded by Comm Rep Chhatwani to recommend the board approve the open and paid invoice register in the amount of \$622,891.13. The motion carried by voice vote.

D. Revenue and Expenditure Report:

Comm Rep Wilson made a motion, seconded by Comm Rep Chhatwani to recommend the board approve the Revenue and Expenditure Report as presented. The motion carried by voice vote.

7. **Committee Member Comments:**

Comm Rep Utas noted that he was on the golf course yesterday and the fairways were in great shape. He asked when the rink remodel would be done and Executive Director Talsma noted it would be the first week in September.

Comm Rep Musial asked if they could explain the parking for the Egg Hunt at Jefferson noting that participants parked on the side streets without realizing that the hunt was near the Jefferson parking lot. Staff will address that.

Comm Rep Utas noted that he had held a birthday party at TC and it went great. Staff did a terrific job coordinating the event.

8. **Adjournment:**

Comm Rep Wilson made a motion, seconded by Comm Rep Chhatwani to adjourn the meeting at 8:00 p.m. The motion carried by voice vote.

Respectfully submitted,

Craig Talsma  
Secretary

Peg Kusmierski  
Recording Secretary