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**MINUTES  
ADMINISTRATION & FINANCE COMMITTEE  
September 22, 2020**

**1. Roll Call:**

A regular meeting of the Hoffman Estates Park District Administration and Finance Committee was held on September 22, 2020 at 7:00 p.m. at the Triphahn Center in Hoffman Estates, IL.

Present: Chairman McGinn, Commissioner Kilbridge, Comm Reps Kulkarni (7:03), Musial (7:04), Utas, Wilson (teleconference)

Absent: 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, Executive Assistant Logan

Audience: President Kaplan, Commissioners Kinnane, K. Evans, R. Evans (teleconference), Chhatwani

**2. Approval of Agenda:**

Commissioner Kilbridge 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 Commissioner Kilbridge to approve the minutes of the August 25, 2020 meeting as presented. The motion carried by voice vote.

**4. Comments from the Audience:**

None

**5. Old Business:**

None

**6. New Business:**

A. Purchase of Grinder at Bridges of Poplar Creek / M20-104:

Director Hugen presented the item explaining the grinder, located at Bridges, has suffered a permanent failure and the replacement parts are obsolete. The grinder is used to sharpen cutting units like those of reel mowers and it is imperative that this item be replaced.

Director Hugen explained of the quotes obtained, Reinders is offering a Foley Accu-Spin 622 grinder (demo) which is the lowest cost for the best quality. He added since this item was not budgeted for, staff are proposing purchasing a new grinder using the funds from the capital budget contingency.

Comm Rep Utas asked if the demo will have the same warranty as a new one would have and Director Hugen confirmed it will.

Comm Rep Utas made a motion, seconded by Commissioner Kilbridge to recommend the Board approve the purchase of the Foley Accu-Spin 622 grinder from Reinders for a total of \$19,195.00 to be paid for with funds from the capital budget contingency as presented in M20-104. The motion carried by voice vote.

B. Electricity Contract / M20-105:

Director Hopkins reviewed the item noting the District's current fixed electric contract will be expiring December 1, 2020. Staff would like to use this time to seize an excellent opportunity to put a cap on electricity costs to avoid large fluctuations in pricing; this would secure our utility pricing for the future.

Director Hopkins added making this change over our current contract will result in between \$40,000 to \$112,000 in annual savings.

Commissioner McGinn asked for confirmation on the price that was settled on. Director Hopkins explained the fixed rate contract as of today would be \$0.020 per KWh, but it is variable so it would depend on what the rate is on any given day. Regardless of the daily rate, the price will always have a cap that would be \$0.02950 per KWh. She added, for example, if the cost of electricity raises to \$0.03 per KWh or higher, we will not pay more than \$0.02950 per KWh for the duration of the three-year contract.

Comm Rep Utas made a motion, seconded by Commissioner Kilbridge to recommend the Board approve entering into a variable rate contract for electricity for a period of three years based on the best available price for the respective supply as obtained by the quotes obtained by McDonnell Energy consultant with a variable rate cap of \$0.02950 per KWh. The motion carried by voice vote.

C. IMRF Resolution R20-005 / M20-100:

Executive Director Talsma explained IMRF requires that a resolution be passed by the Board so gross wages for all employees is equal to the earnings amount and employees would not be penalized for utilizing pretax deductions for medical related expenses. This will allow for staff to better prepare for retirement as their pension will reflect their gross wages.

President Kaplan asked when this will go into effect and Executive Director Talsma confirmed it will start January 1, 2021.

Comm Rep Utas made a motion, seconded by Comm Rep Kulkarni to recommend the Board approve Resolution R20-005 for gross wages to be included in reportable earnings to IMRF as presented in M20-100. The motion carried by voice vote.

D. Palatine Library Agreement / M20-106:

Director Kapusinski explained the Park District and Palatine Public Library have a three-year lease agreement expiring September 30, 2020. The agreement allows the Library to occupy the lower level of Willow Recreation Center (WRC). The proposed agreement has been revised to include a term of one year to continuously rollover unless 120 day written notice is provided to cancel the agreement prior to October 1. There are no other changes to the agreement.

Comm Rep Utas made a motion, seconded by Comm Rep Kulkarni to recommend the Board approve the Palatine Public Library rental agreement which is effective October 1, 2020 as presented in M20-106. The motion carried by voice vote.

E. Fitness Program Manager Job Description / M20-110:

Executive Director Talsma explained the change in the job title and job description is to shift the focus of the job responsibilities to programming in order to improve member retention.

Executive Director Talsma added that the salary range will not change.

Comm Rep Musial would like to see the job functions of the job description listed in order of importance. It was decided that the priority of the job responsibilities will be discussed during the interview process with candidates.

Commissioner Kilbridge made a motion, seconded by Comm Rep Utas to recommend the Board approve the job title and job descriptions change from Fitness Manager to Fitness Program Manager as presented in M20-110. The motion carried by voice vote.

F. Administration & Finance Report / M20-109:

Director Hopkins noted staff met with McDonnell Energy and Satori Energy to review options for our electric service contract. Staff reviewed information from the US Department of Energy to independently confirm outlook and prepared a recommendation based on the analysis of the best options available. McDonnell Energy provided us with the best option available.

Director Hopkins noted staff met with S&P Global to obtain a rating for the bonds being issued to refund the Series 2010A Bonds as well as to issue the District's annual bond. The District's AA+ rating was confirmed with a stable outlook despite Illinois having a negative outlook.

Director Hopkins noted staff met with several salary and wage benchmarking companies to determine whether pricing and service would provide sufficient benefit to the District to justify the cost. The services required a multi-year contract at \$10,000 or more per year which did not meet our needs. Staff conducted their own in-house salary survey instead requiring a great deal of leg work, but saving the District a significant amount of money.

Comm Rep Utas made a motion, seconded by Comm Rep Kulkarni to send the A&F Report M20-109 to the Board as presented. The motion carried by voice vote.

G. Open and Paid Invoice Register:

Comm Rep Utas asked about the \$3,150 for TC Repairs Damage to Fitzgerald Electrical Contracting. Director Hugen explained there was a power outage two Fridays ago because there was a glycol leak onto one of the pumps in the mechanical room of ice maintenance. This caused the main breaker of the facility to trip and since staff were unable to find the route of the problem, an Emergency Service was called in. The route of the problem was that a tank was not tightened appropriately by the Minnesota Ice contractor. Staff is currently working with Minnesota Ice on covering the expense.

Comm Rep Utas made a motion, seconded by Commissioner Kilbridge to recommend the Board approve the Open and Paid Invoice Register in the amount of \$881,153.28 as presented. The motion carried by voice vote.

H. Revenue and Expenditure Report and COVID-19 Impact Statement:

Director Hopkins noted since golf is doing so well, admissions has been able to pick up the majority of the revenue lost during the shutdown. The biggest impact is still memberships, programs & instruction, and sales. Expenses are also down

with wages and expenses directly related to the services seeing the greatest impacts. We anticipate only being below operational budget by \$300,000 to \$500,000 despite being \$3 million down in revenue thanks to some of the cost savings measures we set in place.

President Kaplan noted that reports based on five-year averages will be skewed based on this year. Director Hopkins explained this year in its entirety will not be included; she added she will conduct a custom analysis for future years that rely on this year for data.

Comm Rep Utas made a motion, seconded by Comm Rep Kulkarni to recommend the Board approve the Revenue and Expenditure Report and the COVID-19 Impact Statement as presented. The motion carried by voice vote.

**7. Committee Member Comments:**

Comm Rep Kulkarni thanked Director Hopkins for the COVID-19 statement and noted it is well done.

Comm Rep Utas congratulated Director Hopkins on the AA+ Bond rating. He also thanked the Division Directors and staff for their efforts.

Comm Rep Musial is excited for South Ridge project to finish.

Commissioner Kilbridge commended Director Hopkins and staff.

Chairman McGinn noted the COVID-19 Impact Statement is extremely helpful and congratulated Director Hopkins on the AA+ Bond rating.

**8. Adjournment:**

Comm Rep Utas made a motion, seconded by Commissioner Kilbridge to adjourn the meeting at 7:58 p.m. The motion carried by voice vote.

Respectfully submitted,

Craig Talsma  
Secretary

Monica Logan  
Executive Assistant