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**MINUTES
ADMINISTRATION & FINANCE COMMITTEE
September 27, 2022**

1. Roll Call:

A regular meeting of the Hoffman Estates Park District Administration and Finance Committee was held on September 27, 2022 at 7:08 p.m. at the Triphahn Center in Hoffman Estates, IL.

Present: Chairman Evans, Commissioner McGinn, Comm Reps, Kulkarni and Winner

Absent: Comm Reps Musial, Wilson and Aguilar

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

Audience: President Kinnane, Commissioners Friedman, Chhatwani, Dressler and Kaplan

2. Approval of Agenda:

Commissioner McGinn made a motion, seconded by Comm Rep Winner to approve the agenda as presented. The motion carried by voice vote.

3. Approval of the Minutes:

Comm Rep Winner made a motion, seconded by Commissioner McGinn to approve the minutes of the August 23, 2022 meeting as amended. The motion carried by voice vote.

4. Comments from the Audience:

None

5. Old Business:

None

6. New Business:

A. Safety Policy Manual Updates / M22-089

Executive Director noted that as part of our accreditation process, we must review our Safety Policy Manual every five years. Staff has removed any item that was procedural and moved them to the Safety Procedures Manual. Everything in the Safety Policy Manual is only policy, which must be board approved.

Commissioner Evans asked for an example between a policy and a procedure. Executive Director Talsma explained that a policy would be: “We need to have safety protocols regarding severe weather in facilities and parks.” The procedure is staff-driven and determines HOW those protocols are carried out.

Commissioner Friedman asked who is on the Safety Committee. Executive Director Talsma responded that the committee is led by Director Cahill, and includes at least one representative from every division and facility. Commissioner Friedman also asked if there are scheduled walk-throughs of each facility. Executive Director Talsma stated that there are.

Commissioner Friedman asked if PDRMA offers assistance on anything. Executive Director Talsma noted that they provide insurance coverage and give recommendations. They come on-site to do walk-throughs and evaluations. They will also conduct training on our specific needs.

Commissioner Evans asked if employees have access to policies and procedures. Executive Director Talsma responded that all procedures are on the shared drive, and there is one hard copy at each facility.

Commissioner Evans asked if the policy manuals are in two languages. Director Huguen said yes, but the Safety Data Sheets are not.

Comm Rep Winner asked if those staff who operate the different vehicles have appropriate licensing. Director Huguen said they do.

Comm Rep Winner made a motion, seconded by Comm Rep Kulkarni, to recommend to the full board the approval of the Safety Policy Manual updates as presented. The motion carried by voice vote.

B. Long Range Plan for Capital Expenditures / M22-092

Executive Director Talsma explained that this is part of the accreditation process, and we will continue to make this part of the budget planning process every year, as it helps to see upcoming expenses based on our GIS system and to know when items will need to be replaced. For instance, we are approaching the roof replacement time

period for several buildings in the District. The cost to replace the roof at The Club alone is \$3,000,000. Staff is setting up an internal accrual system of reserves so we will have the funds when the time comes. The plan includes major components of equipment and buildings over \$10,000. Every item is in the GIS system and shows when they need to be replaced.

Comm Rep Winner asked about the contingencies and if \$75,000 is enough. Executive Director Talsma explained that most projects have contingencies built into them. The one line item listed separately is for things that aren't already in the budget, for unexpected replacements and repairs. This does not directly tie to any of the listed projects. The \$75,000 may be conservative, and it may go slightly higher.

Commissioner McGinn made a motion, seconded by Comm Rep Kulkarni, to recommend to the Board approving the Long Range Plan for Capital Expenditures as presented. The motion carried by voice vote.

C. Policy 4.1.21 Update – Official Minutes

Executive Director Talsma explained that this update is in addition to the recent Policy Manual Updates that were approved. As we reviewed the accreditation materials, we learned that this policy needed to be tweaked to note when we discard the recordings of meetings, both open and closed. All other video and security recordings are discarded every 60 days on a rolling basis.

Commissioner McGinn made a motion, seconded by Comm Rep Winner to recommend to the full board to approve the update to Policy 4.2.21 as presented. The motion carried by voice vote.

D. Audit Service Provider / M22-087

Director Hopkins stated that we sent out an RFP to six audit firms, which were found through the Illinois CPA website and included all area firms that do government audits. We only received two proposals, the lowest being Lauterbach & Amen.

Comm Rep Kulkarni asked if the current amount is comparable. Director Hopkins said that yes, this is the same firm, and their proposal is similar to last year.

Commissioner Friedman asked why the Benning Group declined. Director Hopkins explained that they called to ask who we used last year and if we were happy with them. Once they learned that we were happy with the results from Lauterbach & Amen, they decided not to submit a proposal, as they knew they could not compete on price.

Comm Rep Kulkarni asked how much time we gave the firms to respond. Director Hopkins said there was a 3 ½ week turnaround. They needed to look at our financials and estimate how much time they would need.

Commissioner McGinn asked if the firms think that accreditation helps. Executive Director Talsma said he is sure they realize how much documentation is required for accreditation, so much of the work would be completed already.

Comm Rep Kulkarni made a motion, seconded by Commissioner McGinn to recommend the full Board approve the District contract with Lauterbach & Amen, LLP for the District's auditing services for fiscal years 2022-2024 with the options of 2025 and 2026 for the aforementioned fees. The motion carried by voice vote.

E. Surplus Ordinance O22-002 / M22-090

Executive Director Talsma stated that this is for the final disposal of our portable climbing wall, which is 22 years old. The unit has failed inspection the last two years, just due to age. It had a 15-20 year lifespan. This will go to the state auction and will be sold "as is", with no liability to the District.

Comm Rep Winner made a motion, seconded by Commissioner McGinn to recommend that the full Board approve the ordinance O22-002, an "Ordinance Authorizing the Disposal, Sale or Trade-In of Surplus Property Owned by the Hoffman Estates Park District. The motion carried by voice vote.

F. September Administrative Services Report / M22-091

Comm Rep Winner made a motion, seconded by Commissioner McGinn to recommend to forward the Administrative Services Board Report to be included in the Executive Director's Report. The motion carried by voice vote.

G. Administration and Finance Report / M22-088

Comm Rep Kulkarni made a motion, seconded by Comm Rep Winner, to forward the September Administration and Finance report to the full board to be included in the Executive Director's Report. The motion carried by voice vote.

H. Open and Paid Invoice Register: \$615,883.39:

Commissioner McGinn made a motion, seconded by Comm Rep Winner to recommend the Board approve the Open and Paid Invoice Register as presented. The motion carried by voice vote.

I. Revenue and Expenditure Report and District Wide Operations Statement:

Director Hopkins noted that Cook County is expecting to send property tax bills out in mid-November with a due date of the end of the year. Being so late in the year, first installments for next year will also likely be later.

Comm Rep Kulkarni made a motion, seconded by Comm Rep Winner to recommend the Board approve the Revenue and Expenditure Report and District Wide Operations Statement as presented. The motion carried by voice vote.

7. Committee Member Comments:

Comm Rep Kulkarni said thank you to staff for all of the work. The information is easy to understand.

Comm Rep Winner wished the staff good luck with the accreditation.

Commissioner McGinn said congratulations for all of the hard work. He appreciates the District looking forward with the capital expenditures.

Commissioner Evans said he knows that the districts that send staff to national conference are already doing well, as they have the funds to send people. He was proud to walk around with the Gold Medal Finalist pin on his lapel.

Executive Director Talsma said that we will apply for the Gold Medal award again, and we have new projects to discuss.

8. Adjournment:

Comm Rep Kulkarni made a motion, seconded by Commissioner McGinn to adjourn the meeting at 7:45 p.m. The motion carried by voice vote.

Respectfully submitted,

Craig Talsma
Secretary

Cindy Flynn
Executive Assistant

The following questions regarding information in the September A&F packet were submitted and answered via email prior to the meeting:

1. Can we include the Covid-19 information in the safety policy? It has Blood-borne HIV policy and I think it is prudent to include Covid-19 also.

Currently there is no Board Policy regarding Covid 19. We follow state and federal mandates.

2. Why is the playground Fabbri Oakdale Tot + Fitness Removal Operational value Medium as opposed to High for other playgrounds? Is there a difference?

Due to the condition and location of other playgrounds in close proximity.

3. What is the “Conducted review of 2nd Quarter IDES BEN-118R (protested claim of former seasonal employee).”

This is standard for employees asking for unemployment that are not qualified for it.

4. For Comcast Telephone bill of \$8,733.73, have we explored VOIP or some other means? Compared to Internet the bill is like eight times...

This is the overall bill for all of our telecommunication services including internet. We have VOIP for our system.

5. For Groot services, what were the expenses BPC/GOLF GROOT SERVICESCAPONE1,015.82 and BPC/GOLF GROOT SERVICESCAPONE1,065.82

Waste collection service.

6. Safety Manual – these are observations rather than questions so no response is necessary. The following sections should be reviewed for “readability”, grammar etc.
 - Section IV - 13. Assignment of Responsibilities – first paragraph
 - Section VI – 1. Bloodborne Pathogens Disease Program – second paragraph
 - Section VI – 6. Fall Protection Program – first paragraph
7. Capital Plan - \$75,000 contingency each year – how was that amount determined and is it enough? Total costs each year are different so I would have expected to see contingency amount change each year as well.

The contingency is not for a particular project but as a placeholder. The District maximizes the use of its assets. Despite all efforts to prevent an item failure before its replacement, annually, unanticipated items need to be addressed. An amount is budgeted annually to ensure funds for pool repairs, boiler or HVAC failures, etc.

8. Audit Services –
 1. Do we know why no other firms responded with proposals?

In one instance, the firm asked if Lauterbach & Amen would submit a proposal and whether they would be considered. In the other cases, we received no response or declined to submit.

2. Are the personnel in the L&A proposal the same as the past years? Particularly the partners?

The partner is the same, but the personnel that performs the audit change regularly.

3. I believe their fees are quite reasonable and only a 2.5% increase for the next five years is unheard of. The District has been satisfied with them for the past five years so I see no need to change

9. Invoice Register –

1. What do we pay the Hoffman United Soccer Club for?

Hoffman United Soccer Clubs provides soccer instruction and referees for the District as contractors. The amount in the August invoice register is solely for instruction.

2. What is the payment to “Membership Fee” for Purchasing Card Income? What is Purchasing Card Income?

We pay an annual fee of \$19 to Capital One for each District credit card to earn a higher cashback percentage. Last year, we earned \$12,126.93; to date, we have earned \$11,376.88.

3. What was the Postcard Mania Project that was paid almost \$6,000?

This was charged in error to our credit card. Staff was working with the vendor to get the charge reversed, so the payment to Capital One was made pending resolution. The reversal was processed by the vendor on 9/22 and will appear on next month’s register.

10. Aquatics revenue up nicely but expenses significantly below budget

What is driving this? Payroll savings on Aquatic manager departing, over budget for lifeguard expenses to be safe or just timing difference?

Most of the increased revenue came from increased group sales (party tent rentals), admission (due to the fee increase) and swim lessons. Wages were just kept in tune with budget.

Except for Labor Day weekend, all revenue has been received. However, there will still be some additional costs that will come in. Last year, an additional \$44,785 in expenses came in September through December. There should be one more water bill from the Village, and the remaining utilities, although reduced, will continue through the remainder of the year.

We are still expecting to be under budget on expenses for the year. Wages are budgeted for close to the entire summer to be conservative. Pool closures due to weather will result in a reduction in overall wages. We also budgeted for a significant increase in natural gas costs. Although the expense for Natural Gas will exceed the prior year, we should come in under budget.

A \$5,800 annual star guard fee is still outstanding.