

**MINUTES**  
**ADMINISTRATION & FINANCE COMMITTEE**  
**June 27, 2023**

**1. Roll Call:**

A regular meeting of the Hoffman Estates Park District Administration and Finance Committee was held on June 27, 2023 at 7:25 p.m. at the Triphahn Center in Hoffman Estates, IL.

Present: Chairman McGinn, Commissioner Evans, Comm Reps Harner, Kulkarni, Musial, Wilson and Winner, Student Rep Subramanian

Absent:

Also Present: Executive Director Talsma, Director of Parks, Planning & Maintenance Hugen, Executive Assistant Flynn, Superintendent of IT Agudelo

Audience: President Chhatwani, Commissioners Kaplan, Dressler and Friedman, Lynne Cotshott, Justine Core, Pat Kinnane

**2. Approval of Agenda:**

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

**3. Approval of the Minutes:**

Commissioner Evans made a motion, seconded by Comm Rep Winner to approve the minutes of the May 23, 2023 meeting as amended. The motion carried by voice vote.

**4. Comments from the Audience:**

None

**5. Old Business:**

None

**6. New Business:**

A. 2022 Audit / M23-053

Comm Rep Wilson made a motion, seconded by Commissioner Evans to recommend to the full board the approval of the 2022 Audit.

Justine Core from Lauderbach & Amen highlighted the following:

- She thanked the staff involved with the audit.
- The SAS 114 Letter states that no disagreements were found.
- The District received the GFOA Award for 2021 and will apply again for the 2022 award.
- Management responsibility – the District received the cleanest and highest level.
- Management Discussion & Analysis – this is the financial summary, which summarizes the information in the full audit report. The Board is welcome to reach out with any questions.
- Management Letter – this includes any recommendations and outlines upcoming standards. It outlines the one fund which was over budget, the IMRF fund.

Community Rep Musial asked about material misstatements that were mentioned in the SAS 114 letter. Director Hopkins noted that any material misstatements were corrected by staff, and not by the auditors. Comm Rep Musial responded that the statement should not be in the letter. The letter will be corrected, although the Board is not approving the SAS 114 Letter; only the audit.

The motion carried by voice vote.

B. Golf Carts Fleet Purchase / M23-057

Comm Rep Winner made a motion, seconded by Comm Rep Kulkarni to recommend to the full board the purchase of a golf cart fleet manufactured by EZGO Textron through Sourcewell Contract for a total of \$788,194.16 for 84 2024 RXV Elite Carts, two 2024 RXV Freedom Elite Carts, and two 2024 Hauler 1200 Carts.

Director Bechtold highlighted the following:

- In 2017, the District purchased a fleet of golf carts with a goal of making it seven years with one battery change. We met that goal and saved a minimum of \$50,000.
- Used Sourcewell Contract pricing for this EZGO fleet.
- The current beverage and service carts are gas and don't need to be replaced.
- The lithium battery has a warranty of five years. The vendor has seen them last eight or nine years.
- There are no parking brakes on these new units – the unit brakes when you let off the accelerator.

Commissioner Friedman said that the ball washers will be missed. Director Bechtold responded that staff is recommending to not include them due to the difficulty in maintaining them. EZGO said they have only have one purchase recently with ball washers. He added that there are ball washers on every other hole.

Commissioner McGinn asked if there are any issues with lithium battery fires. Director Bechtold said that EZGO has not had any reports. Comm Rep Evans asked if the lithium batteries are lighter. Director Bechtold said they are. It was noted that there is a sprinkler system where the carts are stored.

Comm Rep Evans asked about the ADA carts. Director Bechtold said that the current ADA cart is a 2017 but is still in good shape and is not being replaced.

Comm Rep Winner asked about the life span of the new carts. Director Bechtold said the batteries will last eight to nine years, and due to the expense of replacing these batteries, the carts will be replaced at that time.

The motion carried by voice vote.

C. Illinois Premier Alliance ICA (Hoffman Aces) / M23-058

Comm Rep Wilson made a motion, seconded by Commissioner Evans to recommend to the full board the approval of the Illinois Premier Alliance Independent Contract agreement to manage and run HEParks soccer programs at a 70% Contractor / 30% HEParks split for the remainder of the 2023 calendar year.

Executive Director Talsma noted that this ICA is likely to amount to more than \$30,000 per year, so staff is bringing it to the Board for approval.

Commissioner Evans asked what the cost is to the residents. Director Bechtold said the cost will range from \$95 to \$155 per season. The difference is the uniforms. This cost is per season.

Commissioner McGinn asked if the parents were asking for this or if it is due to staffing or other issues. Executive Director Talsma said this stems from recent feedback. Most issues are with finding coaches. With this organization, they will bring out professional coaches for practice and then have volunteer (parent) coaches to run the games. The Aces group will take care of the referees. This should be a better program with greater efficiencies.

Commissioner Evans asked about the estimated 400 participants. Executive Director Talsma explained that this is based on recent participation numbers for the District.

The motion carried by voice vote.

D. Personnel Policy Changes / M23-059

Comm Rep Wilson made a motion, seconded by Comm Rep Winner to approve to the full board the changes to the Personnel Policy manual as presented.

Executive Director Talsma noted that Kimberly Engler is the new Superintendent of HR/RM.

Executive Director Talsma highlighted the following:

- The nepotism policy has changed to “direct” supervisor only. We did have one situation come up where a brother-in-law was reporting up to a staff member, but the direct supervisor has no relation.
- Working Hours – we do have some areas where the employee doesn’t necessarily work 40 hours every week, with some weeks higher and some lower, but averaging out to approximately 40 hours over the course of a year.
- Meal Breaks – some positions (i.e., lifeguards) cannot take a meal break, so they are paid for their break time. The state of Illinois says that park districts are exempt from the ODRISA law which stipulates meal breaks.
- Comp Time – some positions (i.e., hourly individuals at the golf course) can accumulate more than 40 hours and be compensated with time off.

Commissioner Evans asked if there was a change to time cards. Executive Director Talsma noted that it is a State of Illinois law to record hours. He added that we do track hours, but it is flexible and the specific hours are agreed between employee and supervisor.

The motion carried by voice vote.

E. Finance and Administration Board Report / M23-052

Comm Rep Wilson made a motion, seconded by Comm Rep Kulkarni, to forward the July Finance and Administration Report to the full board to be included in the Executive Director’s Report.

Comm Rep Winner asked if we own the marquee signs. Executive Director Talsma said that we do, and we have met our ROI for these. The signs are ten years old. The panels tend to go out, and Superintendent Agudelo has done a good job following up on these. The warranty goes through October 2024 and we have offered to purchase panels early, but the vendor has not responded to the offer.

Commissioner McGinn asked about the camera for the north side area fence at Seascape. Executive Director Talsma said that we had people hopping the fence to avoid the entrance fee. We are still evaluating the camera because cameras at a pool could create privacy issues.

The motion carried by voice vote.

F. Open and Paid Invoice Register: \$853,762.19:

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

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

Comm Rep Winner made a motion, seconded by Comm Rep Kulkarni 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:**

Student Rep Subramanian congratulated staff on their new positions, and she congratulated President Chhatwani on her appointment, and Patrick Kinnane on his Village Trustee appointment. This was a great meeting and she learned a lot.

Comm Rep Musial said this was a good efficient meeting.

Comm Rep Harner thanked Patrick Kinnane for suggesting this committee to him.

Comm Rep Winner welcomed Comm Rep Harner.

Comm Rep Kulkarni thanked staff for their work.

Commissioner Evans said what works for this committee is the questions. He thanked the committee for their preparation and staff for supplying the information.

Commissioner McGinn thanked staff for their work on the audit.

8. **Adjournment:**

Comm Rep Wilson made a motion, seconded by Comm Rep Kulkarni to adjourn the meeting at 8:08 p.m. The motion carried by voice vote.

Respectfully submitted,

Craig Talsma  
Secretary

Cindy Flynn  
Executive Assistant

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

1. In the auditors comments they noted a few items over budget. One item was Social Security. The response was that the budget was conservative and affected by revenue. That makes no sense as social security is affected by wages not revenue. Can someone explain?

The additional cost is covered by, and directly related to, increases in revenues. For example, we received an additional \$47,700 in revenue from our Star after-school program. We spent an additional \$19,000 in gross wages to generate this revenue. The social security increase is on the additional wages necessary to generate the additional income.

2. My second question is why we are not leasing the golf carts instead of buying them?  
The lease payments would exceed the overall purchase price of the vehicles of the seven year span. With the new lithium batteries we hope to see the life expectancy of the cart to increase to see additional savings.

3. Communication to the Board of Commissioners – Corrected and Uncorrected Misstatements – It states that any material misstatements detected as a result of audit procedures were corrected by management.  
What were the material misstatements detected?

This is standard language for the SAS (Statement of Auditing Standards) 114 letter required by the AICPA (American Institute of CPAs).

4. Communication to the Board of Commissioners – Management representations – The management representation letter was not included in packet. Was there anything in this letter that the board should be aware of?

The Management Representation letter is boilerplate from District management to the auditors that all material information has been provided to the auditors.

5. M23-057 – Golf Cart Fleet –
  - a. How do the warranty periods compare to the warranty periods the park district had on existing fleet that is being replaced?  
The general warranty on parts and service is the almost same from the original purchase with major exception on the batteries. The current fleet had warranty for • Standard Battery with optional water fill system  
Earlier of 4 years or 25,000 amp hours (which was about 3 years on our fleet with our usage) to the new LITHIUM BATTERY SYSTEM – Battery pack, battery management system, battery charger, and charger receptacle 5 Years.
  - b. Our current carts have ball washers on them and I don't see that as a listed accessory on the new carts. Are they included on new carts?

They are not listed on this bid as staff has deemed them to be a maintenance challenge to keep them clean and operational. This will help limit staff overall time and save additional repair funds in the future. It will also help with the overall cart cleanliness, as it's very hard to keep that area of the carts clean. The estimate cost of the unit is around \$65 per ball washer. So it's an estimate savings of \$5,525 as well.

6. M23-058 – IPA Soccer Independent Contract Agreement – It states that Aces will provide professional coaching staff. Who will determine that the coaches provided are “professional”? Is there a certain minimum certification they will have and will the park district verify that?  
Coaching
  - Licensed professional coaches with college/professional playing experience
  - Support from full-time Technical/Director of Soccer, Dwayne Cruz USSF License; Director of Youth Development, Chip Lemberg USSF License
  
7. M23-059 – Personnel Policy Changes –
  1. Work Hours section – last sentence – Are Exempt full-time employees also required to fill out time sheets or computerized record of their time worked?  
  
Yes
  
  2. Meal breaks section – highlighted sentence at end – Is the requirement waived at the request of the supervisor or the request of the employee?  
  
Meal breaks could be waived at the supervisor's or employee's request upon approval.
  
8. Invoice register –
  1. Government Finance Officers – Description says 2021 cert application – should it be 2023?  
  
It should say 2021. The invoice was not on our account with GFOA from the prior year. This was remedied to receive the certificate for the 2021 Annual Financial Report.
  
  2. MC Squared Energy Services – Highlighted amount for 16K just says electricity but no location. I assume it is Triphahn Center but want to verify.  
  
Yes, this is for TC
  
9. District Wide Operations statement – Contractual services and Professional services are lagging budget. i.e. only 23% and 29% of budget rather than approx. 40% based on 5 months of budget. Is there a specific reason?  
  
Contractual Services is a timing difference due to the payment to NWSRA. The budget for 2023 Professional Services includes the new landscaping contract. This contract runs from April to October, so only two months are included in the actual number.