

MINUTES
ADMINISTRATION & FINANCE COMMITTEE
August 1, 2023

1. Roll Call:

A regular meeting of the Hoffman Estates Park District Administration and Finance Committee was held on August 1, 2023 at 7:40 p.m. at the Triphahn Center in Hoffman Estates, IL.

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

Absent: Comm Reps Musial and Winner

Also Present: Executive Director Talsma, Director of Parks, Planning & Maintenance Hugen, Director of Golf & Facilities Bechtold, Director of Recreation Miletic, Director of Administration & Finance Hopkins, Executive Assistant Flynn, Superintendent of IT Agudelo

Audience: Commissioners Kaplan, Dressler, and Friedman, Comm Rep Evans

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:

Comm Rep Wilson made a motion, seconded by Comm Rep Harner to approve the minutes of the June 27, 2023 meeting as amended. The motion carried by voice vote.

4. Comments from the Audience:

None

5. Old Business:

None

6. New Business:

A. 2024 NWSRA Member Assessment / M23-074 / R23-004

Comm Rep Wilson made a motion, seconded by Commissioner Evans to recommend to the full board the approval of the NWSRA Member District Annual Assessment Resolution No. R23-004 ratifying the assessment for calendar year 2024 in the amount of \$328,595.99 as recommended by the Board of Trustees of NWSRA.

Executive Director Talsma stated that this is the annual amount approved to pay NWSRA for inclusion programs. This did increase slightly over last year, but any increase is never more than 2% overall.

Commissioner Evans asked if we also pay them for services during the year. Executive Director Talsma said no, this is one payment per year and covers all services. If we don't use as many services, we still pay the same amount. He added that NWSRA does pay the District for their rental of the Vogelei House.

The motion carried by voice vote.

B. Crown Castle Cell Tower Extension / M23-072

Comm Rep Wilson made a motion, seconded by Comm Rep Harner to recommend to the full board the Second Amendment to the Crown Castle Cell Tower Lease, increasing the square footage of land area for the DISH Network antenna from 49 to 95 square feet.

Executive Director Talsma explained that this is an adjunct to the Crown Castle cell tower at Willow. They were preparing for construction and realized they needed more space. The additional square footage does not impact our parking lot or dog park. This is for the building to house their equipment.

Commissioner Evans asked how many buildings there would be. Executive Director Talsma said this is an additional building. The current one is approximately 15'x15', and they are adding a smaller building.

The motion carried by voice vote.

C. Popular Annual Financial Report / M23-071

Commissioner Evans made a motion, seconded by Comm Rep Wilson to recommend the approval of the Popular Annual Financial Report (PAFR) to the full Board.

Director Hopkins explained that this is a user-friendly version of our annual financial report, which will make it easier for the public to understand our reporting. She will be submitting this to the GFOA for an award they have for this report.

Commissioner McGinn asked if this is mandated. Director Hopkins said it is not; she feels it is important to get the public involved in our finances.

Commissioners McGinn and Dressler said that the report is beautifully done.

Commissioner Evans asked if this is the first year we have compiled the report. Director Hopkins said it is. She added that Chicago and Rockford Park Districts have done this so far; only about 100-150 agencies across the country submitted for this award.

The motion carried by voice vote.

D. Financial Statement Analysis

Comm Rep Wilson made a motion, seconded by Comm Rep Harner to approve to the full board the Financial Statement Analysis as presented.

The motion carried by voice vote.

E. Administration & Finance Board Report and 2Q2023 Goals / M23-069

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

Commissioner McGinn asked what changes we made to prevent people from climbing over the fence at Fabbrini. Executive Director Talsma said that we have security there on Friday and Saturday evenings to walk the area.

The motion carried by voice vote.

F. Open and Paid Invoice Register: \$710,079.72:

Comm Rep Wilson made a motion, seconded by Comm Rep Harner 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 Wilson made a motion, seconded by Comm Rep Harner 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 said this would be her last meeting as she is heading to college in a couple of weeks. She thanked the committee for the opportunity, and said she learned a lot about Administration and Finance, a positive work environment, and the importance of participating in her community.

Comm Rep Kulkarni thanked Director Hopkins for a great job on the PAFR, and wished her good luck with the award.

Comm Rep Harner introduced himself and said he has been on staff with Fred Crespo for twelve years. He was the first chairperson of the Hoffman Estates Sustainability Commission and hopes to help the park district in that area. He is on the Planning & Zoning committee as well.

Commissioner Evans said the PAFR shows that Director Hopkins has skills and passion for her work. He added that she is a great asset to the District.

Commissioner McGinn asked if Superintendent of Business Cotshott helped with the report. Director Hopkins said that she helped with everything that went in to the audit that is reflected in the report.

8. Adjournment:

Comm Rep Wilson made a motion, seconded by Comm Rep Harner to adjourn the meeting at 8:00 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. Advertising Revenue is only 31.7 % of Budget? Correspondingly, Advertising Expense is only 36.7 of budget. Is there any correlation and for both is there a reason?

There is no correlation. Advertising Revenue is revenue generated primarily through the Marquee signs. Advertising Expenses are the District's costs for advertising our programs and facilities.

The large months for Advertising Revenue are July, August, and September. Revenue is down from the prior year. Compass Heating & Air Conditioning and Proven Winners were two of our larger advertisers last year, and they did not advertise with us this year.

2. I notice Equipment Rental is down vs budget but up vs prior years. Before I guess, perhaps there is an answer.

Equipment Rental is primarily golf cart rentals. The budget is the annual budget. Last year we received an additional \$278 thousand in revenue between July and the end of the year.

3. I haven't done a hard count but it seems we have between 85 and 90 separate parks or facilities. Is there any breakout of revenue and expenses by park?

The only revenue we receive for parks is through shelter rentals. All shelter rentals flow into the general rental income for recreation fund. Parks owned by the District generate little to no income. Providing parks to our residents is considered a basic service of the District to be provided at no charge. Tax revenue supports the ongoing maintenance and operations. As such, there is no breakdown of expenses per individual park except for any capital improvements.

4. This probably falls under old business – The minutes of the June meeting indicate the SAS 114 letter will be corrected to remove the statement that all material misstatements were corrected by management since there were no material misstatements detected by the auditors. Was this done? The website still contains the uncorrected letter.

We do not change the packets for prior meetings. Attached is the revised SAS 114 letter.

5. Crown castle Cell Tower Lease amendment – Will the additional square footage impact the dog park at all?

No, the dog park is further southeast of the additional square footage.

6. Popular Report – p. 61 of packet. It says that property taxes decreased due to a change in accounting method. The change described (recording a receivable when we haven't in past) should have increased property taxes. They would have decreased if we didn't record receivable due to the later timing of receipt. Am I misreading? (This explanation repeats on p. 62 also)

The Popular Report ends on page 60 of the packet. The Financial Analysis as of June 30, 2023, begins on page 61. The property taxes were recorded as receivable for the Fiscal Year ending 2022, resulting in the revenue received in early 2023 being offset against the receivable.