

Minutes of the Budget Workshop Meeting of the Board of Park Commissioners November 30, 2020

The Budget Workshop Meeting of the Board of Park Commissioners was called to order by President Patinkin at 6:32 p.m. via Zoom. Attendance was taken and the following were:

Present: Antokal, Caron, Cohen, Lapin, Patinkin (5)
Absent: None (0)

And there was a quorum in attendance. Also in attendance was Jeff Nehila, Secretary/Director; Jeff Harvey, Jay Zahn, Laura McCarty, Tony Korzyniewski, Jason Mannina, Sherry Prause, staff members.

Matters from the Public

No public comment was received prior to the meeting

Fiscal Year 2021 Proposed Budget Review

It goes with saying that the year 2020 has been the most challenging year in many ways for the Deerfield Park District. Due to the COVID-19 virus, all facilities were shut down in early March. Only a handful of essential employees continued to work on-site and all other employees had to work remotely. Over the course of the next few months from the shutdown, some activities were permitted to re-open with stringent restrictions and guidelines in place. Golf and tennis were the first activities permitted in May. From that point, the Restore Illinois Recovery Plan dictated, through phases, the allowance of additional facilities to re-open and programs to resume. Those allowances permitted summer camps to run and one pool to open, again with stringent restrictions. The Patty Turner Center re-opened on a very limited basis in September. Sachs Recreation Center was permitted to gradually offer programs and services through the late summer and early fall. Parks continued to be open to the public but had restrictions on the use of playgrounds, shelters and public restrooms. District staff worked closely with sports affiliates to ensure the affiliates complied with state guidelines.

All of these factors adversely affected district operations, services, staffing and expenditures. A number of planned capital projects were deferred to at least 2021 and furloughs and lay-offs also occurred. Despite all of these obstacles, the district was able to complete a few significant capital projects, (the completion of the Jewett Park Phase 1 renovation and the newly named Kenny Rudin Playground at Brickyards Park). The district was also successful in completing a number of mechanical and infrastructure projects throughout the year. In addition, the district underwent a successful review for the state's accreditation program. These accomplishments could not have been realized without extraordinary efforts from district staff with the support of the Board of Commissioners.

The 2020 total budget included a total of \$16 million in revenues and expenses. The revenues were essentially split in half between tax revenues and user fees. The projected tax dollar revenues will be collected by year's end. The projected user fees revenues will decrease by approximately \$3.75 million. Despite that shortfall, the projected year-end fiscal impact of the pandemic will result in a net change of approximately \$43,000, to the district's overall 2020 budget. This loss is .3% off of a potential break even result and \$190,869 of the difference between the projected 2020 budget surplus of \$122,240. These variances, although unfavorable, have significantly reduced the need to utilize fund balance transfers to cover the district's operational and project costs in 2020. All staff should be commended for their efforts for this minimal effect.

As we continue to navigate through mitigation plans and guidelines, staff took a very conservative approach to projected revenues in 2021 using the assumption that we will be in Phase 4 of the Restore Illinois Plan throughout the year. Alterations were also made to all of the components of the district's 7-Year Capital Improvement Plan. The proposed CIP continues to defer some projects into out years and reduces the typical capital expenditures requested in 2021. Included in those capital project deferrals to future years are the proposed pickleball, Sachs interior finishes and golf course hole & drainage improvement projects. More details on those projects are listed within their respective budgets.

One practice we implemented a few years ago to provide additional detail within the proposed budgets were noteworthy variances by line item. That level of variance was previously established for line items exceeding 10% and \$2,500. Due to the reality that the majority of line items will hit that threshold in 2020, a new benchmark of 10% and \$10,000 variances was utilized to provide specific line item details.

Another noteworthy alteration to the proposed 2021 budget is the movement of G & A Expenses and a parks wages allocation charged to specific areas within the budget. The G & A allocation movement provides a more consistent allocation to centers in non-departmental activities and programs. The same General Ledger Cost Code is now used throughout the budget. This will provide a much clearer picture of specific activities' true operational costs. The parks wages allocation movement is also intended to reflect true cost of operations of activities based on a percentage of support the parks department provides to activities other than parks. Both of these recommended changes are in line with Generally Accepted Accounting Principles.

Staff opened the discussion on the proposed FY2021 budget by review of district wide summaries, schedules and charts including the following:

- A. Revenue and Expense Totals by Fund with Fund Balances
- B. Governmental Funds-Combined Summary
- C. G. & A. and Parks Maintenance Charges
- D. Capital Replacement Schedules in all Budget Areas

Also included as appendices were the Salary and Wage Scales and updated Organizational Chart.

Treasurer Cohen asked about the video surveillance cameras. Staff responded that they are for replacement cameras.

President Patinkin mentioned that there should be curb cuts in a couple of areas at Briarwood Nature Trail. Staff responded that it shouldn't cost a lot to do the curb cuts and maybe the park district could work with the village to get them done.

Vice-President Caron asked if the amount budgeted for park signs includes new signs for Floral Park. Staff responded that it does include new signs for Floral Park.

Commissioner Lapin asked if some of the capital expenses at the golf course could be spread out to reduce the chance of a negative financial impact. Director Nehila responded that this is fluid plan and will probably change next year.

Staff presented the proposed 2021 budget by fund:

1. General Fund/Corporate
 - a. #12 Communications
 - b. #10 General Administration
 - c. #11 Park Services

2. #20 Golf Operations
 - a. Summary Schedules
 - b. Course Operations
 - c. Course Maintenance
 - d. Learning Center and Driving Range
 - e. Clubhouse Operations (Pro Shop and Food/Beverage)
 - f. Supplemental Data

3. #60 Recreation Services Fund
 - a. Summary Schedules
 - b. Administration
 - c. Swimming Pools
 - Supplemental Data
 - d. Sachs Recreation Center
 - e. Jewett Park Community Center
 - f. Patty Turner Center
 - g. District Wide Programming
 - Camp Supplemental Data

4. #70 Preschool Fund
 - a. Jewett Park Community Center Preschool
 - b. Supplemental Data

5. Special Funds
 - a. #84 Social Security
 - b. #85 Special Recreation
 - c. #86 IMRF
 - d. #87 Liability Insurance
 - e. #88 Audit
 - f. #89 Debt Services
 - g. #90 Capital Projects

The following questions/comments regarding the budget and operations that surfaced through the course of discussion are as follows:

- In #12 Communications, Commissioners asked if the brochure would be printed next year. Staff responded that we have made a decision to stay with a digital only format through summer and evaluate where things stand for fall.

- In #10 General Administration, Commissioners mentioned that the narratives were informative, enlightening and very helpful.
- Commissioners asked why staff thinks the property tax revenue will increase by 12-13% for 2021. For 2021 the small funds need a lot less of this year's levy because they didn't use a lot of the taxes in 2020 due to the circumstances. The general fund is the recipient of the extra funds.
- In #11 Park Services, Commissioners asked about grants for updating to LED lighting. Staff responded that we have done several indoor and outdoor locations with grant monies and will always pursue grant opportunities.
- Commissioners asked if we are monitoring the parks for use by outside organizations that teach tennis, basketball, fitness classes, etc. Staff responded that the monitoring program will continue to monitor the parks for COVID compliance and for use by non-park district groups.
- In #20 Golf Operations, Commissioners asked what the range rentals was versus the property rentals. Staff responded that the range rental is for the group that rents the range and brings in their own instructors to teach. The property rental is for our independent contractors.
- Pro Shop Sales, Commissioners asked why staff would increase their surplus for 2021 to a higher amount than it has ever been. Staff feels that we will be able to continue increasing sales of clubs and other merchandise as long as there is traffic in the pro shop.
- Commissioners asked if we were still going to rent carts from Sportsman's and if so, what about increasing the fee to \$10 for single riders. Staff responded that we are going to change the online pricing model to add \$10 per cart.
- In #60 Recreation Services, Commissioners asked if we have considered increasing the registration fee to \$10. Staff responded that the fee is added on above and beyond the fee for each program. It is certainly something we can look at when things return to a more normal state.
- Commissioners asked if the pools would open and close on the same date or if they will be staggered. Staff responded that we would continue to stagger the opening/closing dates as we have in the past.
- Commissioners asked why the administrative line item went down at Mitchell. Staff responded that in 2020 we budgeted to have two managers and one head guard but learned throughout the season that one manager and one head guard would be appropriate staffing.
- Commissioners asked if there were any issues with the Chicago Sky contract. Staff responded that the new contract includes language for a shutdown due to a pandemic, etc.

- Commissioners mentioned that there was no after school enrichment program revenue at Wilmot but there are a lot of expenses. Staff responded that the Wilmot and South Park enrichment programs will be held at JPCC not the schools, so the Wilmot line item should be listed as JPCC.
- In #70 Preschool Fund, Commissioners asked if it might be possible to do virtual preschool. Staff responded that it is something that can be looked into if we have staff available.

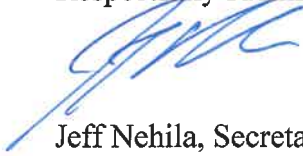
Motion made by Treasurer Cohen, seconded by Commissioner Lapin, to adjourn the Budget Workshop Meeting at 9:29 p.m. Roll call vote as follows:

AYES: Cohen, Lapin, Antokal, Caron, Patinkin (5)

NAYS: None (0)

Motion passed in a roll call vote.

Respectfully submitted,



Jeff Nehila, Secretary