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**PARK DISTRICT**

FINANCE COMMITTEE MEETING  
MINUTES

May 10, 2018

Commissioner DiMaria called the meeting to order at 7:00 p.m. Present at this evening's meeting were: Commissioners Daniels, Longmeyer, Johnson, and DiMaria and Committee Members Hager and Osten. Commissioner Schmidt was absent.

Also present were: Mr. LaFrenere, Executive Director; Mr. Burgess, Director of Finance & Administration; Mr. Ward, Director of Recreation; and Mrs. Ary, Executive Assistant.

**NOTE: All requests for information/clarification called in by Committee members were answered prior to the meeting and any needed corrections were made to the bill list.**

**APPROVAL OF MINUTES OF APRIL 12, 2018 REGULAR MEETING**

Commissioner Johnson moved to approve the minutes of the April 12, 2018 regular meeting as presented. Commissioner Mr. Osten seconded the motion, which passed unanimously.

**BILL LIST REVIEW**

Commissioner Johnson moved to approve the bill list in the amount of \$1,099,855.11 as presented. Commissioner Daniels seconded the motion, which passed unanimously.

**FINANCIAL STATEMENT REVIEW**

Mr. Burgess said that these are the financial statements for the year end, through March 2018. Because it is year end, there are no projections listed. He said that we have \$25.2 million in cash on hand. Mr. Burgess said that our real estate tax collections have been accelerated this year. We are going to do a bond sale that will bring in another \$7 million. The interest rates have been going up and also the bond rates have gone up.

Mr. Burgess said that in the General Fund, year-to-date we have \$876,000 to the good. He said that real estate tax collection is \$4,642,000 and our budget \$4,900,000. Last year collections at this time were about \$300,000 less. It didn't mean that we didn't get the money, it just means that we are getting the money earlier. He said that this has an impact on the bottom line in that goes right down to the bottom. He said that revenue

wise year to date is \$6,284,000 with another approximately \$300,000 in real estate taxes to collect, and therefore we will be over budget here. Mr. Burgess said that Olympic Park topped \$1 million this year in terms of revenue. He said that next year as we go to revamp the fields even though we are going to take a revenue hit, we should still be in the \$800,000 range. The expenditure side is 84.5% which is going to come up as we have bills that will accrue. He anticipates that when those bills are added in and we collect the balance of the real estate taxes, overall the General Fund will have a net of approximately \$500,000.

Mr. Burgess said that the Recreation Fund includes everything, including the golf course and Spring Valley. Year-to-date revenues are \$14,343,000 and there is another \$140,000 to collect in real estate taxes. Total revenue, year-to-date without the real estate taxes is 99%. The program fees are at 98%, where the program revenues are just over \$6,000,000. We have exceeded the User Fees are at \$3.8 million versus the annual budget of \$3.5 million. A lot of the overage is from the golf course. It did much better revenue wise than we had budgeted for. He stated that the net surplus will be \$366,000 once everything settles in he anticipates it will actually come in around \$500,000. We had another strong year. Mr. Burgess said for the Concession Operations we made \$135,000 on sales of \$742,000.

Mr. Burgess said that the next page is a look at the Rec Fund in total. The golf course shows a deficit for the year of \$252,000, but if you look at the budgeted deficit it was \$492,000. That is being driven by more revenues than we anticipated. He said that we budgeted approximately \$1.5 million in revenues, and our revenues came in at \$1.7 million. Walnut Greens came in almost exactly where it came in last year for the net at \$3,600. Overall, it is a good year all around.

Mr. Burgess said that STP's net is \$253,000 versus a budgeted total of \$176,000. He said that this will come down slightly as a result of accrued expenses but it is still very good. Commissioner Johnson inquired about CRC making a profit. Mr. Burgess said that utility bills were delayed because we had questions with them, therefore this number will change to a deficit once everything is accounted for.

Mr. Burgess said that the auditors will be at our facility next week to start their process. Mr. Hager asked if we were planning to replace the Olympic fields next year, because he was under the impression it was going to be done this year. Mr. Burgess said that we are going to do the field replacements this year, but when he mentioned them he was referring to the next fiscal year.

## **BOND SALE REVIEW**

Mr. Burgess said that tonight they are going to ask the Board to approve an ordinance to sell bonds to Wintrust bank. He said that they changed up the methodology for selling bonds this year primarily to save fees. He anticipates that we will save approximately \$78,000 in fees that we would have otherwise had to pay. The interest rate is 2.65% which is a lot higher than we have seen in the previous year. This is because interest

rates have gone up that high. If the Board approves of the ordinance, then we will close on these next week and have \$7 million, of which approximately \$6.5 million will go towards partial funding of the capital fund. The balance will be used to pay some other debt. Mr. Hager asked if interest rates drop, can we refund them by borrowing more money. Mr. Burgess said that is unlikely, but yes they are callable and they are so short term. Mr. Osten asked if the bank approached us or if we went to them. Mr. Burgess said it is called a private placement. He said the goal is to continue to get our bond rating up in an effort to lower our interest rate long term. We also had to select a bank that had the resources to loan out \$7 million.

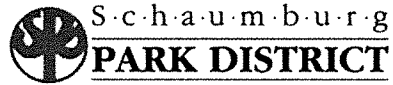
Commissioner Johnson moved to recommend that the Park Board approve the bond sale. Mr. Osten seconded the motion, which passed unanimously.

### **OTHER**

There were no other items at this time.

### **ADJOURNMENT**

There being no further discussion, Commissioner Johnson moved to adjourn the Finance Committee meeting at 7:14 P.M. Mr. Hager seconded the motion, which passed unanimously.



**Thursday, May 10, 2018**  
**Finance Committee Meeting**

**7:00 p.m.**  
**Jerry Handlon Administration Building**

- A. Call to Order
- B. Approval of the Minutes of the April 12, 2018 Regular Meeting
- C. Bill List Review
- D. Financial Statement Review
- E. Bond Sale Review
- F. Other
- G. Adjournment

Mission: The Schaumburg Park District is dedicated to serving the community by providing versatile leisure opportunities through enriching programs, quality facilities and environmental stewardship.

