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PARK DISTRICT

FINANCE COMMITTEE MEETING
MINUTES

December 8, 2011

Commissioner Johnson called the meeting to order at 7:33 p.m. Present at this evening's meeting were: Commissioners Longmeyer, Daniels, Schmidt, Johnson and DiMaria; and Committee Member Osten.

Also present were: Ms. Schlinkmann, Executive Director; Mr. Otto, Deputy Director; Mr. Burgess, Business Manager; and Ms. Schwebel, 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 NOVEMBER 10, 2011

Commissioner Schmidt moved to approve the minutes of the November 10, 2011 regular meeting as presented. Mr. Osten seconded the motion, which passed unanimously.

BILL LIST REVIEW

Commissioner Schmidt inquired about a DePaul University tuition payment of \$2,040 for Jed Gerstein. Mr. Burgess explained that he is working toward a degree in computer science, and the Park District budgeted \$2,000 per semester. Classes must be passed.

Commissioner Schmidt moved to approve the bill list in the amount of \$1,813,870.02 as presented. Commissioner Daniels seconded the motion, which passed unanimously.

FINANCIAL STATEMENT REVIEW

Mr. Burgess stated we are seven months into the fiscal year. He is projecting \$113,000 revenue over expenses in the General Fund. Revenues are at 99% of budget, and expenses are at 97% of budget. Mr. Burgess is projecting Recreation Fund revenue at \$10,284,000 versus expenses of \$10 million. Revenues are at 98% of budget. User fees are at 102% of budget. Program fees will be \$5.2 million.

Schaumburg Golf Club didn't do as well this season, and we will not reach budget on user fees. Overall year-to-date expenses are \$1,358,000 versus last year's \$1.5 million. There is a projected deficit of \$144,000.

Mr. Burgess stated the cash position is \$14 million. Next week we will make \$7.5 million in bond payments.

The Museum Fund continues to break even and brought in \$24,000 for the month. This fund has a year-to-date deficit of \$2,200.

Walnut Greens lost \$4,700 for the month and has a year-to-date surplus of \$13,351. Commissioner Johnson commented that the pro shop inventory is good.

Mr. Burgess stated Olympic Park is \$73,000 to the good versus the \$42,000 budget. Atcher is breaking even versus the (\$25,000) budget. The Sport Center is \$96,000 to the good. Outdoor programming is at \$134,000 versus the \$132,000 budget. KASPER has a \$426,000 surplus. STP has a \$28,000 surplus. The Recreation Fund year to date has a \$541,000 surplus. Atcher concessions made \$13,000 and Olympic Park made \$73,000. The Sport Center concessions are \$6,000 to the good, CRC is \$23,000 to the good and STP is breaking even. Commissioner Johnson asked Mr. Burgess to provide a breakdown of revenue from Spring Valley parties.

REVIEW OF TAX LEVY ORDINANCE

Mr. Burgess stated Mr. Mraz provided us with the final version of this Ordinance, which is the same total amount as what was approved last month for the preliminary tax levy. This Ordinance is filed with the County so they can prepare tax bills for next year. We are asking for an operating levy of \$10,162,069, which is a 1.5% increase over the previous year, representing the inflation rate.

Commissioner Schmidt moved to recommend that the Park Board approve the Tax Levy Ordinance as presented. Commissioner Daniels seconded the motion, which passed unanimously.

REVIEW OF PTELL ORDINANCE

Mr. Burgess stated each year we direct the County to apply any cuts as a result of the Tax Cap to the Insurance Fund as opposed to doing it pro rata across the board. This does not affect the tax rate.

Commissioner Daniels moved to recommend that the Park Board approve the PTELL Ordinance as presented. Mr. Osten seconded the motion, which passed unanimously.

MERGER OF IPDLAF WITH IIIT

Mr. Burgess stated our attorney has prepared a Resolution approving of the merger of the Illinois Park District Liquid Asset Fund with Illinois Institutional Investors Trust primarily to achieve cost savings through having a larger fund.

Commissioner Schmidt moved to recommend that the Park Board adopt the Resolution to approve the merger of IPDLAF with IIIT. Commissioner Daniels seconded the motion, which passed unanimously.

OTHER

Ms. Schlinkmann stated there are three issues we want to address with the Committee: the 10% employee health insurance contribution, employee raises for the upcoming fiscal year and a date for the budget review meeting.

The special Finance Committee meeting to review the budget was scheduled for 6 p.m. on Monday, January 30. Mr. Burgess will have the budget distributed the week of January 16.

Ms. Schlinkmann stated in regard to the direction for a 10% employee contribution to health insurance, there was a question of implementation and possibly phasing it in over two years. Commissioner Longmeyer stated it should not be phased in because it has been low for many years. Commissioner Johnson agreed; however, salary adjustments could be a factor in offsetting it. Commissioner Schmidt noted in 2011 there was a savings of \$89,000 due to low claims. Commissioner Longmeyer stated that changes yearly and is not really a savings. It is similar to a bid coming in under budget where the surplus is used somewhere else. Mr. Burgess stated if the money is not spent, it flows to the bottom line for a future year.

Mr. Osten stated the Park District does not need the money from employees. Mr. Osten stated the Park District takes great pride in our facilities and programs, and part of that is due to the employees and keeping them happy. Mr. Osten stated to raise their cost of insurance just for the sake of raising it is not a valid reason, and employees are happy with this benefit. Commissioner Longmeyer disagreed and stated we have a fiscal responsibility. Commissioner Longmeyer stated we have to cut things because we do not have enough money, and we have to look to the taxpayers and ask if we are being responsible. Commissioner Longmeyer stated employees should be paying more, and he is comfortable with the 10% the Board is recommending. Commissioner Longmeyer stated the cost to employees has been extremely low for many years, and other park district employees in the area are paying more. Commissioner Daniels thought the 10% should be implemented at one time.

Commissioner DiMaria stated she feels for the person who has children, and this is penalizing some of our staff. Commissioner DiMaria would like to see the 10% implemented over a two-year period or compensated in some way. Commissioner Johnson thought it should be implemented with the fiscal year, and this is more than generous. Commissioner Longmeyer stated we all have to share in the cost.


Commissioner Longmeyer moved to recommend that the Park Board increase the employee contribution for health insurance to 10% to be implemented beginning June 1 to coincide with raises. Commissioner Daniels seconded the motion. Vote was 3 ayes and 3 nays. Motion did not pass.

Ms. Schlinkmann stated staff is looking for direction in order to prepare the budget; and since the Board members are 3 to 2 in favor of the motion, that is what we will use in preparing the budget.

In regard to raises, Ms. Schlinkmann stated the CPI is 1.5%. Mr. Burgess noted that this figure is what we use to adjust the salary ranges, which is different from annual raises. Commissioner DiMaria would like to see a higher percentage because of the 10% insurance contribution. Commissioner Daniels thought paying higher raises was wrong, and employees should pay their equal share of the premiums. The consensus was for the raise pool to be 2.5%. The budget will be prepared accordingly.

ADJOURNMENT

There being no further discussion, Commissioner Daniels moved to adjourn the Finance Committee meeting at 8:23 p.m. Commissioner Schmidt seconded the motion, which passed unanimously.

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PARK DISTRICT
FINANCE COMMITTEE MEETING
AGENDA

7:30 P.M.
Thursday, December 8, 2011
Jerry Handlon Administration Building

- I. Call to Order**
- II. Approval of Minutes of November 10, 2011**
- III. Bill List Review**
- IV. Financial Statement Review**
- V. Review of Tax Levy Ordinance**
- VI. Review of PTELL Ordinance**
- VII. Merger of IPDLAF with IIIT**
- VIII. Other**
- IX. 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.

