



1000 W. CENTRAL ROAD
MOUNT PROSPECT, ILLINOIS 60056
SPECIAL BOARD MEETING

MEMO TO: MT. PROSPECT PARK DISTRICT
BOARD OF COMMISSIONERS
PRESS
PUBLIC

FROM: STEVE KURKA, PRESIDENT

DATE: NOVEMBER 9, 2018

RE: SPECIAL PARK BOARD MEETING
NOVEMBER 14, 2018 at 6:30 p.m.
CENTRAL COMMUNITY CENTER
1000 W. CENTRAL, MOUNT PROSPECT, IL

AGENDA

CALL TO ORDER

ROLL CALL

PLEDGE OF ALLEGIANCE

CHANGES OR ADDITIONS TO AGENDA

APPROVAL OF AGENDA

PUBLIC COMMENT

DISCUSSION ITEMS

- A. FY 2019 Proposed Operating Budget
- Superintendent of Business-overview of FY 2019 Proposed Budget
 - GAI-Presentation of FY 2019 Proposed Budget

ADJOURNMENT



**Mt. Prospect
Park District**

MEMORANDUM

To: Board of Park Commissioners

From: George Giese, Superintendent of Business & IT Services

Date: November 14, 2018

Re: Proposed Budget – Fiscal Year 2019

C: Jim Jarog, Interim Executive Director

SUMMARY & BACKGROUND:

The information contained in this binder relates to the proposed FY 2019 Budget for the Mt. Prospect Park District. Please note this is a draft document and will most likely require some changes prior to Board Approval of the budget which is planned for March of 2019. Development of the annual budget is done through analysis of anticipated services, needs and commitments for the upcoming year, with consideration of the District's past history and trends.

Staff will prepare a Tentative Budget & Appropriation Ordinance which sets forth the legal spending requirements for the Park District in FY 2019. This document is created from the Operating Budget and the dollar figures are approximately 10% higher than those which are in the Operating Budget. The higher amount provides flexibility and allows for unforeseen expenditures which may occur during the upcoming fiscal year.

The Tentative Budget & Appropriation Ordinance must be available for public inspection at least 30 days prior to approval. Both the Operating Budget and the Budget & Appropriation Ordinance are scheduled to be approved at the March 2019 Regular Board Meeting. Approving these items in March allow staff to make additional adjustments to the budget as necessary if required.

BUDGET IMPACT

General Notes for FY 2019

- The FY 2019 budget process built upon the procedures and tools introduced last year, with an emphasis on maintaining efficiencies and setting realistic revenue targets.
- As a result, overall revenue and expenses for FY 2019 are budgeted to increase slightly (+1% and +2%, respectively).

Revenue Highlights:

- Property tax revenues are budgeted to increase 3% overall, reflecting new growth and a 2.1% increase to CPI. Overall, over 31% of the District's property taxes are allocated to the Debt Service Fund to meet long-term debt obligations.
- As noted above, staff was tasked with proposing attainable revenue targets. The categories of Passes/User Fees, Daily/User Fees, Program Fees, Concession Sales and Corporate Sponsorships were scaled back, accordingly, based on history and staff expectations.

Expense Highlights:

- Full-Time salaries are budgeted for a 3% increase, inclusive of budgeted merit increases and the addition of a new full-time position in maintenance. These increases are largely offset by the 16% reduction in Contractual Services (moved the RecPlex after-hours cleaning service in-house). The removal of the ice rink payment represents the biggest reduction in the Contractual Services category.
- Staffing Part-Time positions remains a challenge for park districts industry-wide, notably in aquatics. Part-Time wages for lifeguard positions were increased in response to this issue and to stay competitive with the market. Overall, however, the District has maintained the efficiencies gained last year, limiting the increase in Part-Time salaries to 1%.
- Budgeted Employee Benefits for FY 2019 were inclusive of a 6% increase in Health Insurance, though the final renewal came in at 4.4% after this draft budget was compiled. The District continues to pursue cost-savings opportunities with regard to benefits, including wellness initiatives and a proposed increase to the Voluntary Health Insurance Opt-Out program.
- There is a significant budgeted increase in ADA Improvements out of the NWSRA Fund, up \$265,000 from last year's budget for a total of \$1,215,000. While the full extent of this budget is rarely spent, it provides the District with flexibility should ADA-obligations arise in our facilities or programs in FY 2019.

General Fund Information (10)

- As described above, property tax revenues for the General Fund are budgeted to increase with new growth and an increase to CPI. Expenses are projected to increase with salaries and benefits, and with the absorption of additional staffing expenses previously housed in the Internal Service Fund. Overall, a surplus over \$137,000 is projected for the General Fund.

Recreation Fund Information (20)

- Revenue for FY 2019 is budgeted to increase slightly despite the scaling back of multiple revenue categories noted above. Expenses for the Recreation Fund are budgeted to decrease 1%, resulting in a budgeted surplus over \$156,000 for the Recreation Fund overall.

Golf Course Notes

- Budget assumptions for the golf course for FY 2019 include a slight decrease in budgeted revenue (1%), with a projected increase in expenses largely due to benefit costs (5%).

Other Fund Highlights

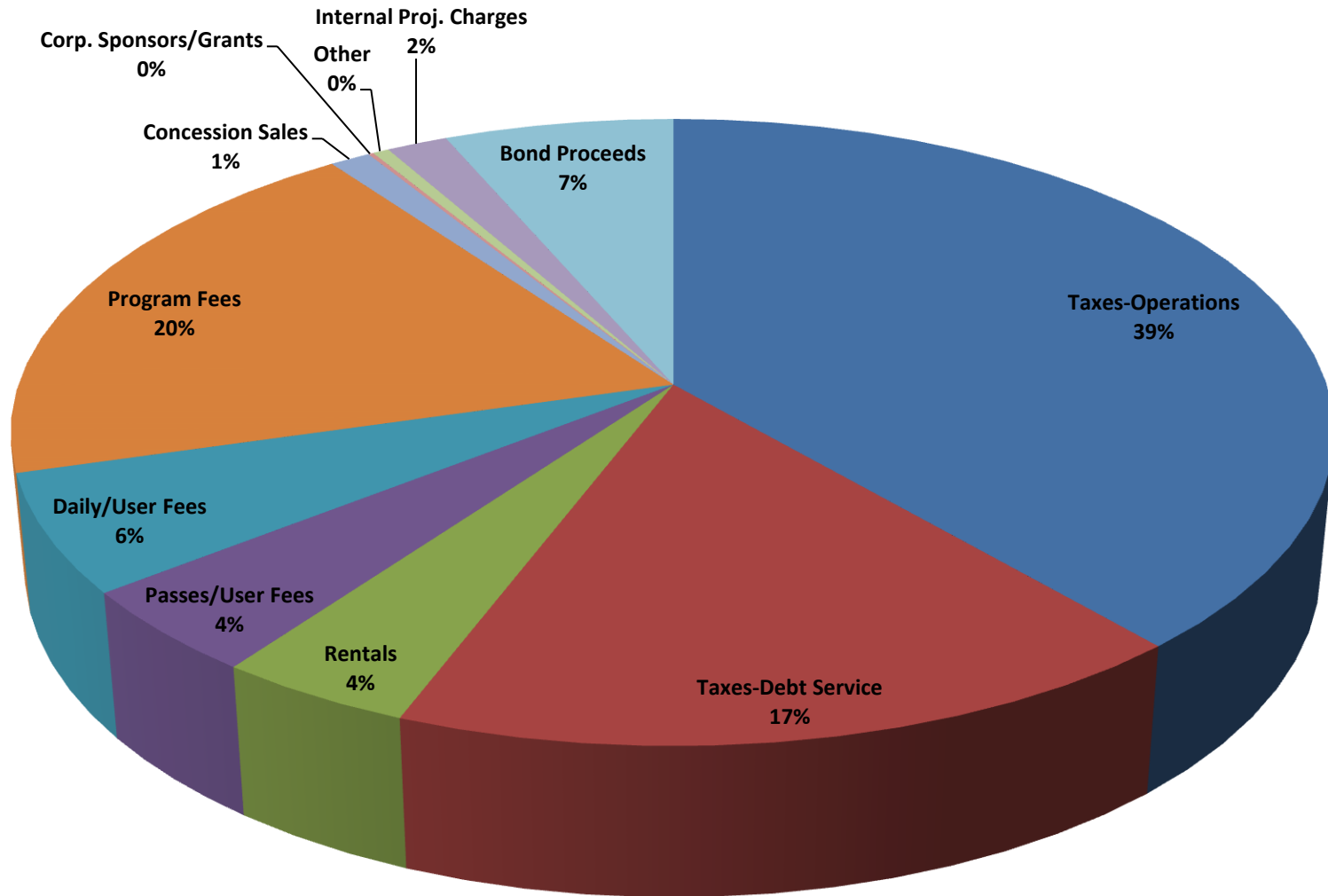
- Paving & Lighting (21) – Managed/planned fund balance reduction in this fund with an increase in expenses for paving & lighting projects.
- Social Security (23) – Projected balance in property tax revenues and projected expenses in this fund.
- Liability Insurance (24) – Managed/planned fund balance reduction in this fund.
- Special Recreation/ADA (25) – Managed/planned fund balance reduction in this fund, including \$1,215,000 allocation for ADA improvements in FY 2019. As noted above, the District historically does not come close to this amount in actual expenses. However, should ADA-obligations arise next year; these funds are available for those projects.
- IMRF (26) – Projected balance in property tax revenues and projected expenses in this fund. The District’s previously existing negative fund balance has also been addressed.
- Conservatory (27) – Surplus over \$57,000 budgeted for in this fund, reflecting projected increases to property tax income and rentals, with an 8% increase in expenses overall.
- Internal Service (28) – Projected balance in internal project charges and expenses. Additional costs previously budgeted in the Internal Service Fund have been absorbed by Operating Funds for FY 2019, resulting in a 23% decrease in both revenues and expenses.
- Bond & Interest (30) – 9% decrease in revenue and a 12% decrease in expenses budgeted for this fund, resulting in a projected surplus of \$147,702.

DOCUMENTS ATTACHED

Information & charts included in your binder are meant to provide a summary of the FY 2019 operating budget, including:

- Operating Fund Summary & Recreation Fund Summary (FY 2018 Budget compared to Proposed FY 2019 Budget)
- Chart showing the revenue & expense categories by percentage based on Proposed FY 2019 Budget
- Tax Levy for 2018
- Proposed Budget Report by Fund (blue pages)
- Proposed Budget Report – Detail (yellow pages)
- Proposed Budget Report by Department (pink pages)

MPPD Budgeted Revenue Sources - FY 2019



MPPD Budgeted Expense Categories - FY 2019

(Does not include Capital Projects/Improvements Funded through Bond Proceeds)

