



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

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

FROM: STEVE KURKA, PRESIDENT

DATE: NOVEMBER 8, 2019

RE: SPECIAL PARK BOARD MEETING  
NOVEMBER 13, 2019 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 2020 Proposed Operating Budget
- Superintendent of Business-overview of FY 2020 Proposed Budget
  - GAI-Presentation of FY 2020 Proposed Budget

ADJOURNMENT



# MEMORANDUM

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To: Mt. Prospect Board of Commissioners

From: George Giese, Superintendent of Business & IT Services  
Lee Howard, CPA, Accounting

Date: November 13, 2019

Re: Proposed Budget – Fiscal Year 2020

C: Jim Jarog, Executive Director

## **SUMMARY & BACKGROUND:**

Annually in November, staff presents the budget in draft form to the Board of Park Commissioners. This occurs after extensive review by Department Managers, Division Directors, Accounting and the Executive Director.

Accounting will prepare a Tentative Budget & Appropriation Ordinance for legal review. This sets forth the legal spending requirements for the Park District in FY 2020 by providing the appropriation dollar figures which are approximately 10% higher than those in the Operating Budget. The higher amount provides flexibility and allows for unforeseen operating expenditures which may occur and otherwise require further legal authority.

The Tentative Budget & Appropriation Ordinance must be available for public inspection for at least 30 days prior to approval. Historically, both the Operating Budget and the Budget & Appropriation Ordinance are brought to the Park Board for approval in March. Approving these in March allows us to present additional adjustments to the budget between now and then if needed.

## **Budget Impact:**

### General Notes for FY 2020

- The FY 2020 budgeting process involved several challenges, including:

- o Incorporating the first of several rounds of minimum wage increases affecting part-time salaries (+4%, or \$108,872 District-wide - inclusive of minimum wage increases/adjustments and merit).
- o Revenue adjustments in several programming areas toward historical figures, including Aquatics, Concessions, Facilities and Fitness programs.
- o Movement of budgeted expenses from Capital and Program budgets to the General Fund, where possible.
- o Addressing the fund deficit left in the IMRF Fund following the previous year's audit and the resulting change in revenue recognition practice. The District has allocated funds to bring this Fund back into a surplus balance of \$52,389 by the end of 2020 (projected to begin 2020 with a fund deficit of -\$117,832).
- As a result, overall revenue and expenses for FY 2020 are budgeted to increase slightly (+2.8% and +1.9%, respectively).

Revenue Highlights:

- Property tax revenues are budgeted to increase 2.1% overall, reflecting new growth and a 1.9% 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. This is in line with the prior year's overall percentage of tax revenue for long-term debt.
- As noted above, staff was tasked with setting attainable revenue figures. Recreation revenues are supported by itemized program recap spreadsheets and reviewed by the Director of Recreation throughout the budgeting process. Emphasis on historical performance was consistent throughout the review period.
- Revenue Categories - Deviations in Excess of 15%
  - o Replacement Taxes: Increased budget \$40,000 (31%) based on YTD receipts trending upward.
  - o Concession Sales: Decreased budget -\$32,781 (15%) across all District concession accounts (inclusive of concession stands, Conservatory beverage sales, and the Golf Course concessions contract). Revenues were scaled back most notably at Meadows Ballfields, Melas and Majewski Parks, and Conservatory beverage sales. Reductions in these accounts bring budgets for FY 2020 closer to historical reference points, and staff made efforts to reduce expenses within those accounts as well. Within the 20-40 G/L accounts, budgeted revenues were reduced -\$21,851 while budgeted expenses were reduced even more so by -\$24,239. After review, the athletic field utilities at Melas Park were considered unproportional to concession operations at that site. This resulted in the shift of utilities expenses for Melas athletic field lighting and irrigation out of concessions and into the General Fund.
  - o Corporate Sponsors: Decreased budget by -\$5,250 (-19.1%) overall. The proposed revenue budget for sponsorships is based on known/existing sponsorship agreements in place for FY 2020. Funds have been added to the 2020 budget for a possible PT-Regular position to assist with sponsorship opportunities, which could result in additional revenue beyond the amount budgeted.

- o Other: As displayed on the All Operating Funds Summary report, the Non Bond Gov Deals Fund includes \$56,000 in revenue inclusive of parking receipts as part of the District's agreement with the Village of Mount Prospect, as well as resale of equipment. This is a new addition to the budget for FY 2020, and largely explains the 51% variation in the Other revenue category.

Expense Highlights:

- Full-Time salaries are budgeted for a 0.7% increase, inclusive of budgeted merit increases.
- As noted above, the budget for FY 2020 is inclusive of two rounds of minimum wage increases - the first set for January 1st (\$9.25/hour) and the second set for July 1st (\$10.00/hour). Minimum wage increases for year one will impact certain departments more than others, with an emphasis on frontline positions. Wage compression was not addressed District-wide with these year one increases but will pose a challenge to future budgets.
- Budgeted Employee Benefits for FY 2020 are inclusive of a 6% projected increase in Health Insurance to provide for self insurance aspects. The final renewal is expected to outperform this increase. However, the actual budget for Employee Benefits was reduced -5.2% (-\$159,292) due to roster changes. Last year's approved increase to the Park District's Opt-Out program increased participation, also contributing to this change. As always, the Park District is committed to wellness initiatives that help control insurance costs.
- Two District funds, the ADA Fund and the Non Bond Gov Deals Fund, are budgeted to bring balances to zero. This is historically the case in the ADA Fund to allow for maximum flexibility should needs arise in 2020. The Non Bond Capital Fund was added to the report for FY 2020 given the parking revenue being generated from the Lions parking lot and the agreement between the Park District and the Village of Mt. Prospect. Together, ADA and Non Bond Capital expenses amount to \$1,042,514, though actual results depend on timing and needs throughout 2020. Again, this allows for maximum flexibility in these budgets.
- Expense Categories - Deviations in Excess of 15%
  - o Sales Tax: Sales tax expense accounts were increased by \$4,962 (30.4%) District-wide, providing for activity and trends in sales.
  - o All other expense categories were within 15% of last year's budget for that category, aside from Debt Service, ADA-Accessibility and Paving & Lighting which are addressed at the fund-level below.

General Fund Information (10)

- The General Fund is primarily funded through tax revenues and recovery of cost items, including employee/retiree/COBRA health insurance premiums. Replacement taxes will be shared 50/50 by the General Fund and Recreation Funds in 2020. Overall, the General Fund is budgeted for a \$92,628 surplus.

### Recreation Fund Information (20)

- As noted, special emphasis was placed on historical performance in revenue accounts across the Recreation Fund. As a result, certain accounts have been scaled back based on staff expectations and historical trends. Overall, budgeted revenues for the Recreation Fund have been reduced slightly (-1%), while expenses increased slightly (1%) to produce a break even budget within the Fund.

### Golf Course Notes

- Budget assumptions for the golf course for FY 2020 are consistent with the prior year, with both revenues and expenditures within \$3,500 from FY 2019 totals.

### Other Fund Highlights

- Paving & Lighting (21) – Managed/planned fund balance reduction in this Fund with a decrease in expenses for paving & lighting projects.
- Social Security (23) – Managed/planned fund balance reduction in this Fund with a decrease in both tax revenues and budgeted expenses.
- Liability Insurance (24) – Budgeted balance in property tax revenues and expenses in this Fund.
- Special Recreation/ADA (25) – Managed/planned fund balance reduction in this Fund, including \$872,114 allocation for ADA Capital Improvements in FY 2020. As noted above, the District historically does not come close to this amount in actual expenses. However, should ADA-obligations arise next year, this budget allows for maximum flexibility.
- IMRF (26) – Budgeted increase in tax revenues to offset the District’s beginning fund deficit, as noted above, with a 12% decrease in budgeted retirement expenses. The IMRF Fund is projected to end FY 2020 with a surplus balance of \$52,389, overcoming a beginning fund balance deficit of -\$117,832.
- Conservatory (27) – Managed/planned fund balance reduction in this Fund, reflecting a projected slight decrease in revenues (-2%), with a 6% increase in expenses overall.
- Internal Service (28) – Budgeted balance in internal project charges and expenses, with both increasing slightly from the prior year.
- Bond & Interest (30) – 12% increase in revenue and a 12% increase in expenses budgeted for this Fund, resulting in a budgeted surplus of \$146,834.
- Non Bond Gov Deals (96) – New addition to the budget for FY 2020, based on the generation of Lions parking revenue. Limited to one-time capital project spending.

## **DOCUMENTS ATTACHED**

Information & charts included in your binder are meant to provide a summary of the FY 2020 operating budget, including:

- Budget Summary Totals
- Budget Summary - All Operating Funds
- Budget Summary - Recreation Fund by Department
- Proposed Tax Levy Worksheet
- Chart - Budgeted Revenue Sources
- Chart - Budgeted Expense Uses
- Proposed Budget Report by Fund (blue pages)
- Proposed Budget Report - Detail (yellow pages)
- Proposed Budget Report by Department (pink pages)

**MOUNT PROSPECT PARK DISTRICT  
SUMMARY - ALL OPERATING FUNDS  
2020 Budget**

ACCOUNT NAMES	2018 BUDGET	2019 BUDGET	2020 BUDGET	% Change
BALANCE, Beginning	4,155,415	4,423,040	3,590,495	
<b>REVENUES:</b>				
TAXES	10,265,821	10,600,900	10,822,978	2.1%
INTEREST	1,040	1,160	1,266	9.1%
RENTAL	761,328	794,818	755,769	-4.9%
PASSES /USER FEES	860,745	836,998	870,964	4.1%
DAILY /USER FEES	1,208,345	1,160,715	1,166,652	0.5%
PROGRAM FEES	3,807,852	3,701,504	3,530,836	-4.6%
CONCESSION SALES	224,874	217,947	185,166	-15.0%
CORP SPONSORS & GRANTS	30,500	27,500	22,250	-19.1%
OTHER	53,626	86,933	131,692	51.5%
INT PROJ CHARGES	350,717	327,930	331,294	1.0%
BOND PROCEEDS	1,227,130	1,231,646	1,708,040	38.7%
<b>TOTAL REVENUE</b>	<b>18,791,978</b>	<b>18,988,051</b>	<b>19,526,907</b>	<b>2.8%</b>
<b>EXPENDITURES:</b>				
FULL TIME SALARIES	3,644,092	3,743,202	3,770,986	0.7%
PART TIME SALARIES	2,714,758	2,733,757	2,842,629	4.0%
EMPLOYEE BENEFITS	2,863,167	3,036,539	2,877,247	-5.2%
CONTRACTUAL SERVICES	1,955,910	1,717,672	1,737,937	1.2%
COMMODITIES	1,250,324	1,255,534	1,256,074	0.0%
UTILITIES	883,041	911,976	907,243	-0.5%
INSURANCE	420,560	425,610	455,660	7.1%
SALES TAX	16,112	16,298	21,260	30.4%
<b>DEBT SERVICE:</b>				
BONDS - Short Term	3,043,945	3,108,405	3,167,525	1.9%
BONDS - Long Term	1,227,130	1,231,646	1,708,040	38.7%
<b>OPER CAPITAL PROJ:</b>				
ACCESSIBILITY - ADA	950,000	1,215,000	872,114	-28.2%
PAV & LIGHT FUND	84,339	126,873	97,718	-23.0%
NON BOND CAPITALS			170,400	n/a
<b>TOTAL EXPENDITURE</b>	<b>19,053,378</b>	<b>19,522,512</b>	<b>19,884,833</b>	<b>1.9%</b>
REVENUE OVER ( UNDER)	<b>( 261,400)</b>	<b>( 534,461)</b>	<b>( 357,926)</b>	
Est. BALANCE, Ending	3,894,015	3,888,579	3,232,569	
<b>FUND BALANCE - CARRYOVER PROJECTS</b>				
ADA Projects & Carryover Funds	<b>( 707,387)</b>	<b>( 956,911)</b>	<b>( 760,254)</b>	
Paving & Lighting Proj.'s Carryover	0	<b>( 38,000)</b>	<b>( 10,000)</b>	
Retirement IMRF			170,221	
Debt Service Carryover Funds	148,362	147,702	146,834	
Other Funds Reserves Buildup	297,565	312,748	95,273	
	<b>( 261,460)</b>	<b>( 534,461)</b>	<b>( 357,926)</b>	
A W/O refinancing Long Term Bonds	17,826,248	18,290,866	18,176,793	-0.6%



**MOUNT PROSPECT PARK DISTRICT  
SUMMARY - ALL OPERATING FUNDS  
2020 PROPOSED BUDGET**

	CORP	REC	LIAB INS	SOC SEC	NWSRA	IMRF	CONSERV	PAV/LIGHT	DEBT SERV	INT SERV	NON BOND GOV DEALS	2020 BUDGET	2019 BUDGET	% Change
Beg Balance (Estimate)	915,512	1,105,782	52,651	115,041	616,105	(117,832)	385,176	19,405	351,950	32,305	114,400	3,590,495		
<b>REVENUES:</b>														
Property Taxes	2,329,425	1,373,566	700,400	489,250	690,276	875,500	784,484	87,718	3,322,359			10,652,978	10,470,900	2
Replacement Taxes	85,000	85,000										170,000	130,000	31
Rental	56,566	620,287					78,917					755,769	794,818	(5)
Passes/User Fees		870,964										870,964	836,998	4
Daily/User Fees		1,166,652										1,166,652	1,160,715	1
Program Fees		3,468,147					62,689					3,530,836	3,701,504	(5)
Concession Sales		155,975					29,191					185,166	217,947	(15)
Corporate Sponsors		22,250										22,250	27,500	(19)
V/MC Other	152,266	(76,574)									56,000	131,692	86,933	51
Interest	1,266											1,266	1,160	9
Int Proj Charges										331,294		331,294	327,930	1
Bond Proceeds									1,708,040			1,708,040	1,231,646	39
Total Revenue	2,624,523	7,686,266	700,400	489,250	690,276	875,500	955,281	87,718	5,030,399	331,294	56,000	19,526,907	18,988,051	3
% Inc. of 2019 Budget	(0)	(1)	10	(10)	0	9	(2)	(1)	12	1	(83)	3		
<b>EXPENDITURES:</b>														
Full Time Salaries	1,252,409	1,888,198	138,189				424,178			68,012		3,770,986	3,743,202	1
Part Time Salaries	61,992	2,602,313					133,020			45,304		2,842,629	2,733,757	4
Employee Benefits	529,350	867,221	54,838				185,841			29,250		1,666,500	1,692,389	(2)
Contractual Services	265,726	779,390	51,713				54,113		8,000	144,728		1,303,670	1,285,485	1
Commodities	196,238	828,360					94,239			44,000		1,162,837	1,154,881	1
Concessions		82,687					10,550					93,237	100,653	(7)
Utilities	226,180	617,192					63,871					907,243	911,976	(1)
Insurance			455,660									455,660	425,610	7
NWSRA					434,267							434,267	432,187	0
Retirement				505,468		705,279						1,210,747	1,344,150	(10)
Long Term Bonds									1,708,040			1,708,040	1,231,646	39
Rollover Bonds									3,167,525			3,167,525	3,108,405	2
Sales Tax/Other		18,260					3,000					21,260	16,298	30
												-		
												-		
ADA Improvements					872,114							872,114	1,215,000	(28.2)
Park Improvement Paving								97,718			170,400	268,118	126,873	111
Total Expenditures	2,531,895	7,683,621	700,400	505,468	1,306,381	705,279	968,812	97,718	4,883,565	331,294	170,400	19,884,833	19,522,512	2
% Inc. of 2019 Budget	1	1	3	(7)	(21)	(12)	6	(23)	12	1	(48)	2		
<b>REVENUE OVER(UNDER)</b>														
	92,628	2,645	0	(16,218)	(616,105)	170,221	(13,531)	(10,000)	146,834	0	(114,400)	(357,926)	(534,461)	
Planned Reduction - X				X	X		X	X			X			
Ending Balance (Estimate)	1,008,140	1,108,427	52,651	98,823	0	52,389	371,645	9,405	498,784	32,305	0	3,232,569		





**MOUNT PROSPECT PARK DISTRICT  
RECREATION FUND BY DEPARTMENT  
2020 PROPOSED BUDGET**

ACCOUNT NAMES	POOLS			GOLF COURSE	CONCESS -IONS	LIONS CENTER	RECPLEX CENTER	REC PROGRAM	CENTRAL PROGRAM	CENTRAL ROAD BLD	TOTALS 2020	TOTAL 2019	% Change	
	ADMIN	BIG SURF	MEADOWS											RECPLEX
Beginning Balance	1,105,782	-	-	-	-	-	-	-	-	-	1,105,782			
<b>REVENUES:</b>														
PROPERTY TAXES	1,458,566	-	-	-	-	-	-	-	-	-	1,458,566	1,361,023	7	
RENTAL	54,833	29,487	2,391	4,885	289,283	46,350	28,380	58,240	-	106,438	620,287	655,973	(5)	
PASSES /USER FEES	100	54,281	54,281	101,128	190,020	-	-	370,855	-	100,299	870,964	836,998	4	
DAILY /USER FEES	-	85,430	41,512	8,698	952,455	-	788	53,029	-	24,740	1,166,652	1,160,715	1	
PROGRAM FEES	-	-	47,000	358,080	84,379	-	10,339	4,616	2,711,672	137,168	3,468,147	3,645,265	(5)	
CONCESSION SALES	-	-	-	-	-	70,743	1,676	10,000	-	2,544	84,963	111,245	(24)	
MERCHANDISE SALES	-	-	-	-	61,155	260	-	4,500	-	5,097	71,012	69,375	2	
UTILITY RECOVERY	-	-	-	-	-	-	-	-	-	-	-	-	-	
CORP SPONSORS	19,750	-	-	-	2,500	-	-	-	-	-	22,250	27,500	(19)	
OTHER	-	-	-	-	(19,200)	-	(4,500)	(34,000)	-	(18,874)	(76,574)	(75,374)	2	
<b>TOTAL REVENUE</b>	<b>1,533,249</b>	<b>169,198</b>	<b>145,184</b>	<b>472,791</b>	<b>1,560,592</b>	<b>117,353</b>	<b>36,683</b>	<b>467,240</b>	<b>2,711,672</b>	<b>137,168</b>	<b>7,686,266</b>	<b>7,792,720</b>	<b>(1)</b>	
<b>EXPENDITURES:</b>														
FULL TIME SALARIES	524,045	124,198	-	114,541	627,722	6,919	48,309	299,031	-	-	143,433	1,888,198	1,883,646	0
PART TIME SALARIES	44,780	92,621	127,375	316,193	326,591	34,023	39,731	321,282	1,038,098	29,123	232,496	2,602,313	2,528,320	3
EMPLOYEE BENEFITS	246,774	46,070	-	25,670	293,369	2,648	33,100	153,145	-	-	66,445	867,221	875,124	(1)
CONTRACTUAL SERVICES	148,566	3,850	7,850	6,445	102,595	5,070	14,382	47,922	330,494	66,500	45,716	779,390	780,162	(0)
COMMODITIES	61,395	30,185	27,365	34,993	199,288	5,811	11,835	59,255	345,151	1,500	51,582	828,360	827,897	0
CONCESSIONS	-	-	-	-	-	34,051	-	-	-	-	-	34,051	44,900	(24)
MERCHANDISE	-	-	-	-	42,730	187	-	2,800	-	-	2,919	48,636	47,703	2
UTILITIES	15,120	14,320	50,740	64,000	88,908	8,970	36,646	251,926	-	-	86,562	617,192	635,045	(3)
SALES TAX/OTHER	-	-	3,000	-	5,400	6,000	1,800	1,400	-	-	660	18,260	13,298	37
<b>TOTAL EXPENDITURES</b>	<b>1,040,680</b>	<b>311,244</b>	<b>216,330</b>	<b>561,842</b>	<b>1,686,603</b>	<b>103,679</b>	<b>185,803</b>	<b>1,136,761</b>	<b>1,713,743</b>	<b>97,123</b>	<b>629,813</b>	<b>7,683,621</b>	<b>7,636,095</b>	<b>1</b>
<b>REVENUE OVER(UNDER) EXP</b>	<b>492,569</b>	<b>(142,046)</b>	<b>(71,146)</b>	<b>(89,051)</b>	<b>(126,012)</b>	<b>13,674</b>	<b>(149,120)</b>	<b>(669,521)</b>	<b>997,929</b>	<b>40,045</b>	<b>(294,676)</b>	<b>2,645</b>		
<b>FUND BALANCE 12-31-20</b>	<b>492,569</b>	<b>(142,046)</b>	<b>(71,146)</b>	<b>(89,051)</b>	<b>(126,012)</b>	<b>13,674</b>	<b>(149,120)</b>	<b>(669,521)</b>	<b>997,929</b>	<b>40,045</b>	<b>(294,676)</b>	<b>1,108,427</b>		
<b>CHANGE FROM LAST YR + (-)</b>														
REVENUE	63,759	698	(20,096)	(8,627)	3,062	(21,851)	(19,226)	12,208	(109,560)	(3,632)	(3,188)	(106,454)		
EXPENDITURES	26,234	(14,669)	(4,561)	2,721	3,423	(24,239)	(2,628)	16,447	8,802	2,083	33,913	47,526		
<b>NET</b>	<b>37,525</b>	<b>15,367</b>	<b>(15,535)</b>	<b>(11,348)</b>	<b>(362)</b>	<b>2,388</b>	<b>(16,598)</b>	<b>(4,239)</b>	<b>(118,362)</b>	<b>(5,715)</b>	<b>(37,101)</b>	<b>(153,980)</b>		
<b>% CHANGE FROM LAST YEAR</b>														
REVENUE	4	0	(12)	(2)	0	(16)	(34)	3	(4)	(3)	(1)	(1)		
EXPENDITURES	3	(5)	(2)	0	0	(19)	(1)	1	1	2	6	1		

**MT PROSPECT PARK DISTRICT  
2019 PROPOSED TAX LEVY WORKSHEET**

As of October 23, 2019

<b>FUND</b>	2018 Extension	2019 Levy Request	Levy/Ext. % Inc.
Corporate	2,285,991	2,433,895	6.47%
Recreation	1,347,955	1,443,255	7.07%
Insurance	638,600	680,000	6.48%
Imrf	803,400	850,000	5.80%
Fica	540,750	475,000	-12.16%
Nwsra	658,269	670,171	1.81%
Paving& Lighting	82,284	85,164	3.50%
Conservatory	796,029	761,635	-4.32%
<b>Total</b>	<b>7,153,278</b>	<b>7,399,120</b>	<b>3.44%</b>
Bonds	3,263,825	3,164,151	-3.05%
<b>Total</b>	<b>10,417,103</b>	<b>10,563,271</b>	<b>1.40%</b>

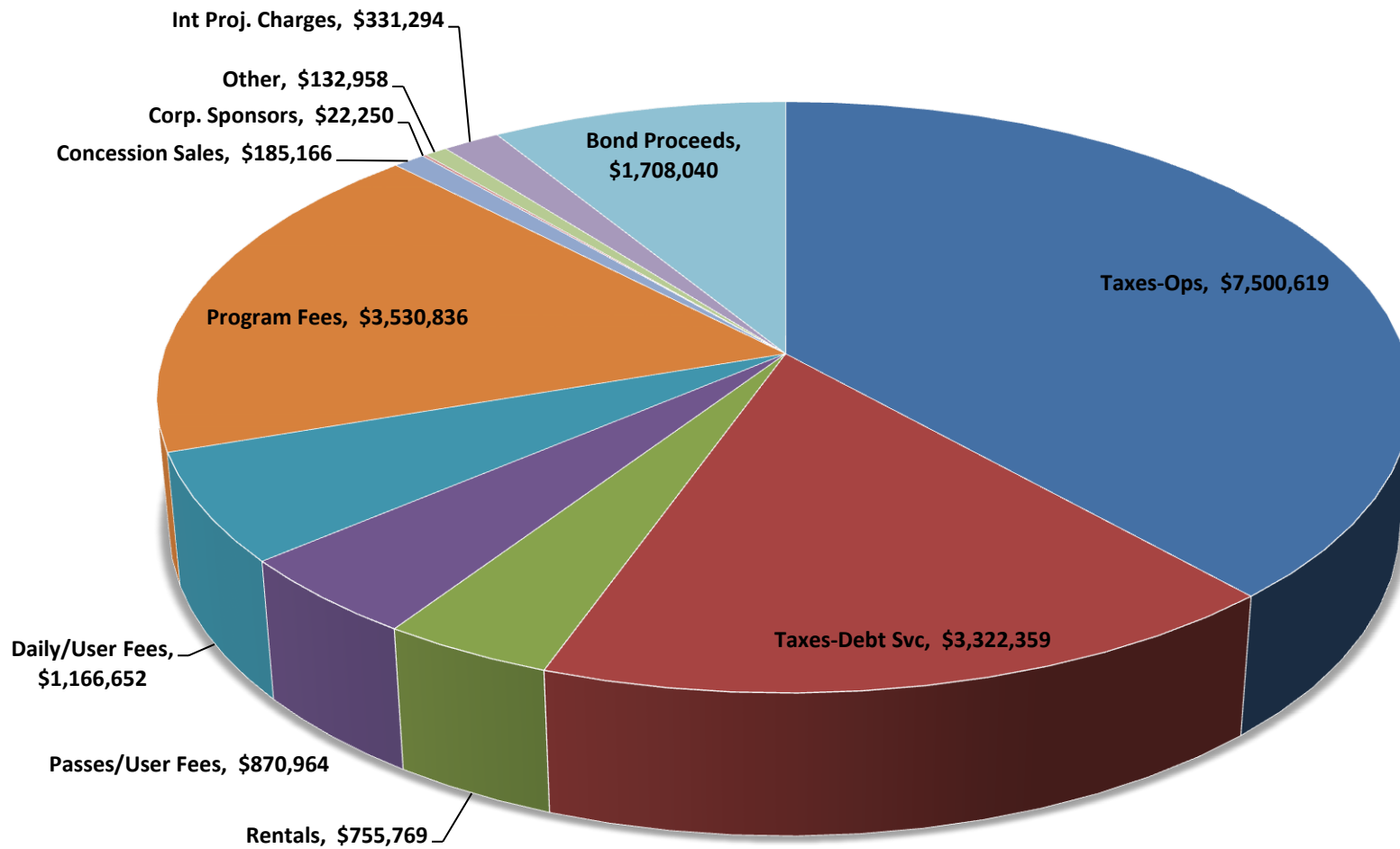
**E.A.V.**

	E.A.V. Inc.		Allowed CPI
2019 Estimate	1,703,270,388	3.5%	'19 1.90%
2018 E.A.V.	1,645,671,872	-1.3%	'18 2.10%
2017 E.A.V.	1,667,332,206	0.9%	'17 2.10%
2016 E.A.V.	1,653,232,261	17.5%	'16 0.70%
2015 E.A.V.	1,406,791,767	-2.7%	'15 0.80%
2014 E.A.V.	1,446,086,836	2.3%	'14 1.50%
2013 E.A.V.	1,413,453,067	-14.5%	'13 1.70%
2012 E.A.V.	1,653,835,662	-7.8%	'12 3.00%

**New Growth**

		% of EAV
2019 Estimate	24,159,600	1.4%
2018 New Prop.	14,082,762	0.9%
2017 New Prop.	8,849,941	0.5%
2016 New Prop.	41,973,009	2.5%
2015 New Prop.	7,811,684	0.6%
2014 New Prop.	13,260,286	0.9%
2013 New Prop.	4,767,844	0.3%
2012 New Prop.	1,182,215	0.1%

## MPPD Budgeted Revenue Sources - FY 2020



# MPPD Budgeted Expense Uses - FY 2020

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

