



**WILMETTE PARK DISTRICT**  
**Committee-of-the-Whole**  
**Meeting Minutes**  
*Monday, August 23, 2021*  
*6:30 p.m. – Village Hall Chambers Council*

**PRESENT**

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Commissioners: President Mike Murdock, Vice President Julia Goebel, Financial Planning and Policy Chair Cecilia Clarke, Patrick Duffy, Kara Kosloskus and Allison Frazier

Secretary/Executive Director: Steve Wilson

Staff: Superintendent of Finance Sheila Foy and Superintendent of Recreation Emily Guynn

Visitors: John Balzano of Piper Sandler, Peter Rodes, Isaac Gaetz, Laurie Leibowitz, Mary Lawler, Beth Beucher, Rich DeLeo, Piper Rothschild and Walter Keats

**ABSENT**

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None

**1.0 MEETING CALLED TO ORDER**

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The meeting was called to order at 6:31 pm.

**A. ROLL CALL TAKEN**

Commissioner Murdock noted that for members of the public who are watching online or via Channel 6, there is a technical error and only the audio is working. However, residents can still listen remotely.

**2.0 COMMUNICATIONS AND CORRESPONDENCE**

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The Committee is unaware of any recent communications or correspondence that is applicable to this meeting.

**3.0 PUBLIC COMMENT/RECOGNITION OF VISITORS**

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President Murdock facilitated public comment. The Attendance Sheet will become part of the permanent record.

No one from the public chose to comment.

**4.0 NEW BUSINESS**

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**4.1 COMMISSIONER VACANCY**

Prior to discussing the Commissioner vacancy, President Murdock advised that the primary purpose of this meeting is to review the Park District's capital spending plans. Normally, this is done in November. However, the Board has opted to hold

an additional meeting this year. In light of Commissioner Clarke's absence at the last Board meeting, the Board has also decided to have an additional discussion regarding the Commissioner vacancy process for additional input from the Commissioners. Director Wilson advised that the staff is still receiving applications. At this point in time, staff has received two applications as well as an inquiry from another resident with respect to Board time commitments. Commissioner Clarke stated she is unsure why the Board is veering from prior practice but since the majority of the Board is accepting this process, she has no objections. Commissioner Murdock responded that it is of his understanding that the 2011 practice was slightly altered in 2015 in an effort to improve. For example, in 2011 there was a Subcommittee that interviewed candidates and in 2015 the full Board was able to join the interview. President Murdock had asked Director Wilson to create a memorandum which included a summary of what the Board has done in the past and a suggested process moving forward. Director Wilson advised that the changes from what took place in 2015 are three items: the addition of a stacked ranking concept, blinding of applicants and the standardization of questions if phone interviews are conducted. In 2015, none of those existed within the process. With the exception of those new additions, it is the same process. President Murdock added there was also some discussion about an observer being present during the interviews. Commissioner Clarke asked if blinding the applicants name would make any difference considering there are only two applicants thus far. Commissioner Duffy stated the blinding concept was created under the assumption that there would be numerous applicants. [GAP IN AUDIO]

Vice President Goebel stated part of the reason she had proposed an independent observer was in the spirit of emulating the election process. She understands that the League of Women's Voters cannot fulfill this observer request as they cannot actively participate. As such, she has decided to withdraw her request for an independent observer. However, she would like the applicants to be known. [GAP IN AUDIO]

Commissioner Frazier asked if there is an opportunity to change the application despite the fact it is already public. Director Wilson suggested that it is possible to contact the candidates and offer them the ability to resubmit. However, he does not expect anyone to alter their information because of names being listed on the website. Initially, staff advised applicants that the information provided may be subject to a FOIA request. There was never a guarantee that their answers or name would be kept confidential. There was a brief discussion as to whether the question concerning the lakefront be reinstated in the application. President Murdock stated that regardless of the question being in the application, it is a question that will be addressed during the interview. However, by not including the question regarding the lakefront in the first "cut" would eliminate the perception that the Board favors a particular candidate because of their opinion with respect to the Gillson Comprehension Plan. Commissioner Clarke stated a strong preference to keep the lakefront question in the application. Commissioner Frazier stated she would like to remove as much bias as possible in reviewing the

applications. She asked if the Board intended to post the applications to the Park District website. Commissioner Kosloskus noted that posting the application online would be a significant deviation to past processes. She further added that she was under the assumption that once the application period had closed, the Board intended to post their names publically online. She stated the public should know who applied. The blinding concept was meant to remain as fair as possible while the Board was reviewing individual applications in an attempt to eliminate any inherent bias someone may have for a particular applicant. Commissioner Duffy commented that while the interviews will be held in closed session, they will be recorded and shared with the public at a later date. President Murdock clarified that typically, closed session minutes regarding residents are not released to the community. However, he is open to whatever the Board chooses to do.

There was subsequent discussion regarding concerns Commissioner Clarke had with respect to “coaching” applicants for their interview. Commissioner Kosloskus stated that “coaching” is unethical and ineffective. She asked Director Wilson if there was an official response that Commissioners should provide if contacted by a hopeful applicant. Director Wilson stated while there is no official policy, he would recommend every Commissioner refer the candidate to the Park District website which outlines policy and contains information regarding the District’s operations.

Vice President Goebel reminded the Board that they are trusted by thousands of residents to make decisions. As such, she would like the public to know the names of the residents who applied. She asked for the Board’s support in this decision. Commissioner Duffy stated that he is against seeing the names on the application. He believes it is fairer to not know the names as the Commissioners review the application. Commissioner Clarke expressed support for Vice President Goebel and suggested that her personal knowledge of a person would not sway her decision. Vice President Goebel added that regardless, the Board will most likely know the name of the applicant by their answers. She appreciates the spirit of blinding the applicant’s names, however, each Committee member must stand by their decisions and blinding applicant’s names does not relieve them from that. There was extensive discussion between Commissioner Kosloskus and Vice President Goebel regarding the ethics behind blinding an applicant versus the level of transparency a public official must put forth.

Commissioner Frazier stated she is comfortable keeping the names attached to the application under the condition that at some point, their written applications also be released to the public. Director Wilson reminded the Board that there is no statute or process stipulated in the Board Manual that ties the Board to particular process. She suggested blinding the applicants name for a particular Commissioner as optional to move the discussion forward.

President Murdock asked the Board if anyone had reservations about releasing information at some point in or after the process regarding what applicants stated in their written application or what they spoke about during their interview.

Commissioner Clarke stated her only reservation is with respect to the timing. She would like the information provided to the public prior to the Board making a vote. President Murdock noted that would remove any anonymity, which contradicts other Commissioner's desire to blind the applicant's names. In an effort to garner consensus, he suggested that the names and applications be released at some point. Vice President Goebel clarified that when the application period closes, the names should be released to the public. She appreciates the transparency and possibility releasing the interviews, however, she does not believe that step is necessary if the names are blinded. She asked if the Board has been accused of bias and if not, why the Board is overcorrecting for bias. Director Wilson responded that the Board has not been accused of bias. He stated he saw the blinding as a potential enhancement to the process but that this is different than a hiring process as it is a public position that is being appointed not elected. Commissioner Kosloskus added that this Board started out on a fractured front and that she was hopeful that trying to keep this process as objective as possible would help the Commissioners be able to work together. If redacting names for the purposes of evaluation is dividing the Board, than she is willing to leave this out of the process and help the Board move forward. Commissioner Frazier disagreed and also expressed a desire to have the applications published in the interest of full transparency. Commissioner Kosloskus feared this would have unintended ramifications and listed a popularity contest between the public for this appointee as an example. There was a brief discussion as to a potential deadlocked vote. President Murdock suggested that the Board revisit this conversation at the next Board meeting and that there be no review until the Board knows how many candidates have applied unless the Board reach a consensus tonight.

Board consensus was reached that the process remain as outlined previously with the exception of blinding names.

#### **4.1 REVIEW OF DEBT MATTERS – PRESENTATION BY JOHN BALZANO**

Prior to the presentation, President Murdock advised the Park District is still experiencing technical difficulties but urged those listening to follow meeting packet available on the Park District website. John Balzano stated that the purpose of tonight's presentation is purely education and asked that the Commissioners actively participate with any questions they may have during. He started the presentation by advising that every government body in the state of Illinois has different ways they can issue debt. The way that the Wilmette Park District issues debt is different than the way the Village or School District issues debt. As such, there are certain resources the Board has available as the Board considers Capital Projects. The main focus of tonight will be debt and how the Park District issues debt in the public markets. However, there are non-debt sources of funding as well such as cash-in-lieu donations from developers, grants from state agencies, or utilize portions from the general fund if there is money available within the budget. If there are any ADA accessible projects, the Park District can utilize the levy that is usually dedicated towards NSSRA. Lastly, the Park District can use transfers

from other operational funds other than the general fund which is available as long as there is excess cash flow. There are also a non-tax supported options of debt issuances available to the Park District as well. These include amounts raised through debt and expected to be repaid from general operating revenues. This would include a dedicated revenue stream in which a portion goes toward repaying debt. There are amounts raised through debt and expected to be repaid through specifically identified revenues such as 2020 debt certificates for example. Mr. Balzano listed the golf cart path as a specific example. Whatever incremental revenue that generated can be used towards debt repayment. Lastly, there are debt types supported by property tax levies including both referendum and non-referendum.

Mr. Balzano then explained the terminology Levied Debt. A levy is put out to Cook County, Cook County assesses that levy on a property tax base and the money is collected from taxpayers who repay the debt. Referendum Bonds go out as a referendum question. For example, the Park District identifies a project, explains to voters what the project will pay for and how much it might cost them, and the voters advise the Park District through the referendum whether they want to go through with the project. There is also Non-Referendum Bonds [Debt] which are limited in two separate ways: There is a limit as to how much at one time can be the outstanding dollar amount and a limit as to how much can be repaid year each. This is referred to as a debt service levy – the yearly repayment cannot exceed a certain amount. These amounts of debts are limited by the amount of time they can be outstanding. President Murdock stated that internally with staff, the Commissioners have referred to this as debt extension base. He asked if it would be better to refer to it as “PTELL” moving forward for the sake of consistency. Mr. Balzano advised that PTELL is the formal terminology for the Property Tax Extension Limitation Law. It limits the debt obligation as well as the levy. Park Districts cannot increase their levy by 5-10% in any given year. They are restricted by CPI. On the debt side, there is PTELL which is also associated with the debt services extension base.

On the operating side, Mr. Balzano explained the Park District may issue debt for capital project funding that is repaid from operating expenses. This includes Debt Certificates also known as Revenue Source Bonds. In 2020, the Park District issued some debt certificates to fund the golf cart path project. Debt certificates have no legal authority to levy a property tax. It is purely paid for by revenues or any lawfully available funds. Alternate Revenue Source Bonds or Operating Debt is also available to the Park District. The difference between Alternate Revenue Source Bonds and Debt Certificates is that ARS Bonds are a hybrid option. Initially, when ARS Bonds are issued, the Park District must dedicate a specific revenue source. If for some reason, that revenue source is insufficient, there is a backup property tax levy. As such, there are various issuance requirements such as publishing notices and conducting hearings. President Murdock stated it seems counterintuitive that ARS Bonds allow the Board to potentially encumber taxpayers down the road without voters' permission. Mr. Balzano clarified that the Board only

can encumber the taxpayers if the Park District can legally prove that the originally identified revenue source has been depleted and is no longer sufficient. President Murdock asked if the Wilmette Park District has ever used ASR Bonds in the past. Mr. Balzano answered that he does not believe so. To his knowledge, the Park District has used limited tax bonds, debt certificates or gone to referendum. President Murdock stated that he personally is not in favor of ARS Bonds. With respect to Debt Certificates, President Murdock expressed concern over giving the Park District's full faith in credit. He stated that if the Park District is obligating themselves upfront, they should be entitled to a discount in the rate. Mr. Balzano stated the discount in the rate comes with the ARS Bonds because not only would the Park District be giving legally available funds, the investor would also have access to the full tax space. Debt Certificates are more expensive than ARS Bonds. On the Debt Certificate side, the Park District is giving the investor less flexibility with only the promise to pay through legally available funds.

Mr. Balzano advised the Committee that the Debt Service Extension Base or "DSEB" is only attributable to non-referendum debt only. It is the amount in any one year that the Park District can make in payment. Unlimited Tax Bonds or referendum bonds are called unlimited tax because the Park District can issue up to its full debt limit. They are unlimited as to amount or as to rate. Limited Tax Bonds applies to non-referendum related debt associated with DSEB. They are limited to an amount but they are unlimited as to tax rate. The Tax Rate is the amount levied versus \$100 of EAV (Equalized Assessed Value).

Mr. Balzano then presented a slide to the Committee which specifically outlines the Park District's existing Levied Debt Service. The Park District currently has four Park Bonds outstanding. There are referendum bonds still outstanding. He believes those two issues were refunding bonds from original referendum bonds in 2001 and 2007. This number is reflected in the Unlimited Tax Bond Levies column. To the right side of the page is a Limited Tax Bond Levies column which are non-referendum bonds and those are structured within the DSEB. On the far right, there is a Total Bond Levies Column. Mr. Balzano explained the point of this slide is to indicate that the District's debt profile is dropping substantially. Last year there was \$2,879,266.00 worth of levy and that decreased by about \$600,000 in the current tax year. Next year, it will drop by half. Unless the District were to go for referendum, there would be a drop in taxes for debt.

As Mr. Balzano mentioned with Limited Tax Bonds, there are two types of limits. He presented the District's non-referendum legal debt limit and advised that the Park District can only issue at any issue or have outstanding at one given time 0.575% of the District's EAV. \$11,841,939 is the gross debt limit and there are currently two limited tax bonds outstanding for about \$3.4 million. There is currently roughly \$8.4 million worth of non-referendum bonding debt. Mr. Balzano then turned the Committee's attention to the total debt limit. This includes referendum, non-referendum and debt certificates. Typically Park Districts can issue up to 2.875% of their EAV. In 1972, this District went for referendum to increase this to

5% of EAV. Currently, the Park District has over \$102 million worth of total debt limit. Of which, there is a net debt limit of \$96 million outstanding. This would indicate the Board has the capacity to issue more debt whether it is on the non-referendum side or the referendum side. President Murdock clarified that debt certificates are non-referendum debt. Mr. Balzano advised that because debt certificates are not tax levied, he has not included them in the non-referendum debt category. They have been included in the total debt limit. Commissioner Duffy asked of the 3.3 million in outstanding debt, what is left on the Centennial Referendum. Mr. Balzano advised that the Centennial Referendum was approved in 2001 and then refinanced in 2009. He believes this is the last year of debt payments with respect to that bond. The Series 2009 is the debt tied to Centennial. Director Wilson further elaborated that Series 2016B is debt associated with Mallinckrodt. Series 2016D is associated with the golf course club house and the irrigation system. There was a brief discussion regarding the fire that partially burnt the club house and the prior Board's decisions regarding the rebuild of the clubhouse. Series 2018 is related to the beach house and will be paid off in 2023.

Mr. Balzano advised that the Park Districts DSEB was established in 1994. In 2009, the Park District implemented a growth factor with respect to the DSEB. He presented a slide that detailed how much the District's DSEB has grown since 2009. He stated this slide is important as the Board considers future debt and structuring that debt. With respect to inflation, Piper Sandler's internal economist is predicting the inflation rate to be at 3.5% CPI for this year. CPI for 2021 (Levy Year 2022) is at 5.4% through July. President Murdock commented that the first two years (2021-2022) with the small headroom is due to past Board's failure to effectively predict the inflation rate. Mr. Balzano advised that may be correct or the past Board left room for the current Board to issue debt in LY 2021. President Murdock responded the cost to issue debt to capture that \$21,000 in revenue is not cost effective. Mr. Balzano agreed and stated in that year, if the Board were to structure some debt, they should consider an interest only. President Murdock asked with respect to DSEB and PTELL, it is of his understanding that was originally created when tax caps were initially instituted and the thought was that District's should not have to go to the voters for Capital Maintenance as opposed to big projects. For example, replacing a playground should not have to go to referendum. He asked Mr. Balzano if he understood this correctly. Mr. Balzano agreed. It was noted that this Park District has less borrowing capacity than neighboring Park District's because it has been fiscally conservative and historically, has not have a lot of debt outstanding.

Mr. Balzano proceeded to present the remaining slides. Additional topics discussed include key metric review, debt limit authority, borrowing consideration, review of operating debt, pro forma levied debt service and the tax rate card. The Committee thanked Mr. Balzano for his time.

#### **4.1 CAPITAL PROJECT DISCUSSION**

Prior to the discussion, President Murdock stated part of the motivation to discuss this now was because there are new Commissioners on the Board who have not been involved in the Capital Project process in the past. There was also a recognition that the Board did defer a significant amount of capital spending in past years. A number of Commissioners have also suggested new initiatives which would involve new spending. Lastly, as the Board considers these initiatives, is there any work the Board would like to get started on now rather than waiting until November. Director Wilson advised that what he does during this process and will do again in November to refine is focus primarily on what is anticipated for the upcoming budget year since that is all the Board is truly obligating themselves to by way of a budget document. Everything else in the future is longer term planning.

With respect to the 5-Year Capital Improvement Plan in the packet, the column for 2021 is for the projects still yet to be done this year. Completed projects are not shown on this document. The completed projects are added to the Financial Model that the Board will review in the next agenda item. Focusing on column 2022, the Park District has ongoing administration computer hardware and software projects. This is an annual amount. Superintendent Foy added that staff has identified a project that will be implemented next year which is why this particular line item is up from 2021. Director Wilson noted that some of the mechanicals at the Centennial Aquatics center need more maintenance which explains those line items. Deck furniture replacements are done a periodic basis as indicated in 2022 and 2024. The only larger future dollar amount are the drop slides in 2023. In the diving well, there are drop slides which are the very short tubs. They are not nearly as sought after by the general public as diving boards and does not provide any additional programming so he suggested this cost be moved. Commissioner Clarke noted extending the pool deck as a line item and asked what the pool assessment was referring to. Superintendent Foy responded that there is a pool assessment scheduled for the end of August which means the numbers related to the pool may change depending on the results of the assessment. Also, there may be additional items as a result of the assessment. Director Wilson added that the idea behind the pool deck expansion is to give users more room to lounge. President Murdock clarified for the public that just because there is money in the budget to fund this expenditure, it is truly only for future planning purposes. As with the Lakeview Center, these larger projects past 2022 are not set in stone.

With respect to the Centennial Ice center line items, the largest line item is for a roof replacement. This is a project that was deferred due to the pandemic. Staff patched the roof to buy the Park District more time but the roof must be replaced. Commissioner Kosloskus asked if that also addressed the gutters. Director Wilson advised that the gutters are an insurance claim at this point and staff is waiting on them to be fabricated and arrive. Superintendent Solberg advised that does not relate to all of the gutters.

Similar to the pool assessment, staff is going to do similar assessments for all facilities starting with the Centennial complex in 2022. Outside consultants will be



brought in to look at the envelope of the building such as windows and mechanicals and help staff construct a detailed long range capital planning process as opposed to identifying projects ad hoc. This will be a more proactive approach. Currently, it is estimated to be \$90,000 in 2022. The implementation of that plan will occur in 2023 and 2024 which is reflected in the estimated \$300,000 and \$600,000. Those numbers are strictly placeholders at the moment. The remaining item at Centennial in 2022 is a door replacement by the garbage dumpster.

Referring back to Centennial Aquatics, there is a line item for new concession equipment that was deferred due to the pandemic. He commented on the fact that the pool is about twenty years old at this point.

The only item in 2022 that concerns Centennial Tennis is a court resurfacing for all indoor courts for \$70,000. In future years, staff is anticipating some expenditure for curtains as well as roof top units.

Staff is constantly replacing strength and cardio equipment at the Center Fitness Club which is why those line item costs are repeated out in future years.

Commissioner Clarke asked why the electric car charging station at the CRC was listed as she was under the assumption these were ordered. Director Wilson advised they were ordered but yet to be installed. Commissioner Clarke stated that staff estimated that cost to be higher than budgeted and asked why staff does not know the price. Superintendent Foy responded that the numbers presented are reflective of expenditures that have occurred through July. These numbers will be updated once the August expenditures go through. There will always be a lapse between the order and payment.

Director Wilson directed the Committee's attention to the \$105,000 line item for the tennis court resurface in 2021 at Community Playfields. Staff did not move forward with this and instead focused the total budget for all of the tennis courts at Gillson. Therefore, the \$105,000 will not be spent at CPF but will be contributing towards the Gillson dollar amount. In 2023, there is \$210,000 budgeted to do all of the courts at CPF.

Director Wilson then went through all of the line items associated with the Community Recreation Center. There were large costs associated to maintenance. Specifically, there are concrete soffits at the CRC that are falling apart at the edge of the roof façade. President Murdock asked if this is a project that could be accelerated in 2021 due to the fact it is a safety concern. Director Wilson advised that Superintendent Solberg will look into this and determine how quickly staff can make that happen. However, it is of a dollar amount that will require some sort of a bid which builds in some time.

Commissioner Kosloskus asked if the auditorium LED strip lights were an enhancement to the theater or an existing replacement. Director Wilson stated the

project would entail replacing existing lights, converting those lights to LED and has some private donation dollars allocated to it from a resident in town which provides some pressure to deliver on the project as well.

It is estimated to cost around \$115,000 for duct work on two Trane Units at the CRC. He advised there is a lot budgeted for HVAC at the CRC. There is also a facility assessment tentatively planned for 2023. Similar to Centennial, there are placeholders in 2024 and 2025 to implement the work. The awning by the entrance to the gym is ripped and needs to be replaced. The gymnastics doors on the north side of the CRC are corroding and also need to be replaced. Similar to fitness equipment, the gymnastics equipment is on a rolling replacement schedule as well. There is also some roof work over gymnastics that needs to be done, another HVAC unit replacement and a passenger van replacement that has been deferred for the past few years. President Murdock asked if staff has been looking at any grant opportunities to fund the van or opportunities to purchase a hybrid or electric vehicle so the Park District may reduce its carbon footprint. Director Wilson advised that staff will look into this for the next Capital Planning meeting in November. With respect to the HVAC budget items, all of the existing HVAC equipment at the CRC is original to when the building was first converted from its prior owner in 1995.

There is also a placeholder in the Capital Plan for solar panels at around \$1,000,000. This is something that is still being discussed at the Committee level and may not be implemented next year. There are again some routine maintenance items such as the volleyball system replacement and a seal coat over the parking lot.

District-wide it is time to replace the automatic flushers which has been budgeted at \$4,000.

Regarding Gillson Park, there is a line item for rigid hull inflatable boat replacements. This is used for on water operations. There are dollar amounts in 2022 and 2023 to begin work around roads and sewers. Those numbers are yet to be determined and act as placeholders as the Comprehension Plan remains ongoing. The Lakeview Design Implementation cost estimates are in line with what have been reviewed by the Lakefront Committee and the Board. If the Board wishes to proceed with those projects as outlined, this is where one would find it within this document. Sailboats, kayaks and paddle boards are replaced periodically as budgeted for 2022 and 2024. There is \$350,000 budgeted for the Sailing Beach bathrooms in 2022. There was a brief conversation regarding different bathroom alternatives for the Sailing Beach. Commissioner Duffy added that the Board needs to know what the water treatment plant also intends to do as that will impact the Sailing Beach bathrooms as well. Director Wilson advised that there is \$75,000 budgeted to replace the Sailing Shack. Over the past years, staff has been replacing old and damaged sailing racks. The line item for this in 2022 is a continuation of that project.

With respect to the Langdon Shoreline Protection project, the engineers have begun the work. The designs will not be done in time to complete the work in 2021. As such, the dollar amount that was allocated to be spent for implementation in 2021 has been combined with the dollar amount planned in 2022 to create the dollar amount of \$1.9 million dollars. There are also some dollar amounts allocated towards replacing seating within Wallace Bowl. President Murdock noted this may be a project the Foundation is interested in taking on.

At Howard Park, the field lights need to be replaced and upgraded to LED. President Murdock noted this will provide future savings and some rebates from ComEd. The Howard Park parking lot was budgeted once before and deferred. It is in extremely bad shape.

Similar to Howard Park, the Keay Nature Center pathways were also deferred for a period of time. The money allocated for Keay Nature Center in 2022 would make the path fully accessible again.

At Mallinckrodt, the basement floods after it rains. There is some money allocated for drainage tiles and seal coats. Carpet there also needs to be updated, the parking lot needs to be seal coated and a water heater needs to be replaced.

There are various pieces of equipment within the Park Department for purchase that have been budgeted for 2022. The battery powered zero turned motors will be the Park District's first electric mowing equipment. Staff has demoed several varieties and are set on a particular piece of equipment. It is going to be quieter and easier to maintain because it is a simpler machine. This is a step in the right direction both environmentally and operationally speaking. The combination trash and recycling bins line item has been ongoing for years. There is a placeholder for disc golf for \$15,000 if the Board decides to move that forward. There are a few dump truck replacements for \$48,000. The garbage truck replacement for \$90,000. There is a placeholder for garden plot expansion which also remains at the Board's consideration. An outdoor ice rink system would be different than what the staff currently does by flooding Thornwood Park, Mallinckrodt and Gillson. This is a refrigerated system to maintain outdoor ice during weather that would otherwise prevent flooding frozen ground. There is \$750,000 allocated for six pickleball courts with lighting. Based on Committee conversations around adding pickleball, staff has been working on a comprehensive West Park Improvement plan for the Committee to consider. These dollar amounts can support the implementation of that plan. Director Wilson clarified to implement pickleball, West Park needs to be reconfigured as the Committee has discussed. Therefore, it would make the most sense to align the West Park projects. There is \$85,000 allocated for a new utility tractor and \$13,000 for sidewalk sweepers which are critical for the District during winter. Truck #25 is slated for replacement. The last item in the Park Department relates to an ongoing ADA improvement project. The reason why this line item is marked with an asterisk is because the money allocated for this project comes from the special recreation levy portion of the tax levy.

With respect to Platform Tennis, it has been budgeted to construct two additional courts in 2022 and again in 2023. Currently, there are capacity issues with the existing six courts as compared to the demand for league play. The addition of courts will allow for increased teams. Each team carries a certain number of players and based on current fees, is about a \$10,000 revenue source per team. Therefore, these expenses are directly tied to future revenue. They are also part of the planning process in and around pickleball and the West Park playground. Vice President Goebel asked if there is a potential that the line item for dog park fencing will move into 2022. Director Wilson advised that is a possibility. Staff is currently working with Glenview and ComEd, however, ComEd is slow in responding. Commissioner Clarke asked for clarification regarding expected revenue at Platform Tennis. Director Wilson answered that each team is about \$10,000 in revenue and each additional court allows the District to add four teams. President Murdock suggested this as an area where the Board may consider operating debt as this area that will produce significant revenue, similar to the golf cart path. Director Wilson directed the Committee to the remaining items regarding Paddle Tennis, including the deck expansion and furniture replacement.

There is \$120,000 budgeted to resurface the outdoor tennis courts at Thornwood Park in 2022.

Lastly, regarding the Wilmette Golf Club, many of the line items are placeholders for larger projects that have been discussed in the Golf Operations Committee. The bar expansion for \$70,000 would fall under one of those larger projects for Board consideration. There is a pump at the chemical house that needs to be repaired. This is a necessary project that staff identified. The clubhouse carpet is something that has been in the budget for replacement for six years and has repeatedly been deferred. He suggested it would make sense to replace the flooring along with any other clubhouse improvement designs, which is the next line item for \$25,000. This would include an additional room partition to the restaurant space. There is money budgeted for clubhouse landscaping which may become a 2021 expense. The outdoor bar furniture is in line with an expansion of the patio as well as replacing the existing furniture. Drainage improvements are an annual budget item and are paying off. The course is not experiencing nearly as much standing water and turf damage. The Park District owns a house near the golf course that one of the employee's lives at. There is money budgeted to finish the basement of that house. There is a dollar amount to upgrade the driving range and also a subsequent line item to add lighting. To increase the height of the nets is not as simple as adding more netting. The existing poles would need to be removed and a new system put in to withhold the increased height. As such, the number became very expensive at \$1.2 million. There was a brief discussion about safety concerns associated with the existing nets. The line items for water features are associated with existing water features on the course that are no longer functioning properly. The patio expansion cost estimate is \$5,000. Separate from the line item to upgrade the range netting, there are some annual line items associated with routine maintenance to the existing netting. The range tractor line

item may move to a further year, the golf course mechanic is looking at the existing tractor and will make that determination. The driveway of the house owned by the Park District on Lake Avenue is in poor condition and is also in need of repair. The sump pumps at the Wilmette Golf Club need to be replaced. New tables and chairs are allocated for in the budget and tree maintenance for \$10,000. After the adjustments, the overall number for 2022 is \$10.9 million. The 2021 number is \$1.6 million.

It was determined that staff would identify some projects slated for 2022 that could still be executed in 2021. Staff will also present a pivot table containing information pertaining to the categories that each line item fall under so the Board could better assess the need.

Commissioner Duffy asked if staff could also include the robust budget for Keay Nature Center ongoing improvements in the Capital Plan. Director Wilson agreed.

#### **4.1 2022 UNIFORM BUDGET RATE(S) DETERMINATION – GUIDANCE FOR STAFF**

Director Wilson advised that the ending fund balance for 2020 becomes the beginning fund balance for 2021. From there, staff created projections for 2021. Those projections are then added to the Financial Module to create future projections within all of the line items such as revenue and salaries. The net operating surplus of \$6 million dollars is added in the taxes related to debt of \$2.2 million and a projected capital of \$2.9 million. The debt service line item is what the Park District owes on debt this year, this includes debt taxes and debt certificates. The bottom line surplus is \$3 million to create a projected ending fund balance of \$10.3 million dollars. As a reminder, the Park District has a fund balance policy that identifies a target fund balance of \$4 million. Staff creates a line item that identifies potential available funds, taking into consideration that \$4 million always be kept in the fund. President Murdock added that dropping below \$4 million may negatively impact the District's borrowing rate. Director Wilson agreed and stated that when this dollar amount was first lowered to \$4 million, the Park District had a surveillance rating from credit agencies that dropped the District from an AAA to an AA1 rating. The District's credit rating dictates the interest rate that the market will give. The ending projected fund balance of 2021 rolls up into the beginning fund balance of 2022 and so on. The bottom half of the Financial Module helps project future years. This takes into consideration future property taxes and fees from a CPI point of view. He advised that the top portion of the sheet includes a line item relating to operating property taxes, not the debt portion.

Director Wilson directed the Committee towards budgetary guidance for the staff in creating the budget. Referring back to earlier conversations about CPI and inflation predictions, the current projections are running around 5.4%. With the exception of lakefront fees, the Park District did not increase fees in 2021. In discussions with the Financial Planning & Policy Committee, the Committee

evaluated potential fee increases of roughly 5% and wage increases of 5% as well. Similar to 2021, there were no wage increases in 2021.

President Murdock stated these are separate conversations because if inflation is running 5% for employees, this is simply covering purchasing power for this year. He noted that the Board did not give raises this past year even though other Park Districts did and as a result, has begun to lose employees. He suggested that the Board consider some sort of a yearend bonus.

Commissioner Kosloskus commented that in Financial Planning & Policy Committee discussions, the fee increases discussed were at 4%. She asked why it is reflected as 5% in the module. Director Wilson advised that in creating this module, he matched the user fees with the salaries and wages. This has been done historically, often times user fees being higher than salaries. The reason being is so the Park District generates more on a percentage basis out of user fees than salaries and protects the operating surplus as other expenses increase such as benefits. President Murdock added this is just guidance and that the staff may not increase user fees in all areas. Commissioner Frazier stated that she is an active consumer of Park District activities and as such, will remain conservative in regards to any fee increases. Commissioner Clarke asked how much the 5% increase would compare to the 4% increase and noted this would be a significant factor as to her decision. Director Wilson advised that with respect to a \$900 camp, 4% versus 5% is nine dollars. He reiterated that this is the general budgetary guidance and that it is incumbent on staff to look at the Park District's pricing as compared to other options as compared to market rate. Commissioner Duffy stated he has faith in the staff and trusts their judgement. As such, he is in favor of their proposal.

By Committee consensus, it was agreed that the budgetary guidance for staff be in line with a 5% user fee increase and a 5% salaries and wage increase.

## **5.0 ADJOURNMENT**

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There being no further business to conduct, Commissioner Duffy moved and Commissioner Kosloskus seconded a motion to adjourn the Committee-of-the-Whole meeting at TIME p.m.

By a voice vote; **Motion Carried.**

Minutes Approved on October 18, 2021

Respectfully Submitted,

*Catherine A. Serbin*

Catherine Serbin  
Executive Administrative Assistant