



Gurnee  
Park District

Fiscal Year

2021 - 2022

Annual Budget



PROMOTING FUN • PRESERVING NATURE

Gurnee Park District

4374 Old Grand Avenue, Gurnee IL 60031

[GurneeParkDistrict.com](http://GurneeParkDistrict.com)

# Gurnee Park District

## Annual Budget

Fiscal Year May 1, 2021 - April 30, 2022

### Administrative Office

4374 Old Grand Avenue  
Gurnee, IL 60031  
(847) 623-7788  
GurneeParkDistrict.com

### Board of Park Commissioners

James G. Goshorn - President  
Victoria Paddock - Vice President  
Michelle Klemz - Secretary  
Gerald P. Crews - Commissioner  
Aaron Dalzot - Commissioner

**Prepared by:** Michael Szpylman, CPRE - Director of Business Services



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**Gurnee Park District  
Illinois**

For the Fiscal Year Beginning

**May 01, 2020**

*Christopher P. Morill*

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented an award of Distinguished Presentation to the Gurnee Park District, Illinois for its annual budget for the fiscal year beginning May 1, 2020.

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communication device.

The award is valid for a period of one year only. We believe our current budget document continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

## Table of Contents (Click title to jump to sections)

|  |       |
|--|-------|
| Mission and Vision Statement   | 5     |
| Organizational Chart   | 6     |
| Park District Leadership Team  | 7     |
| District Profile   | 8-10  |
| Executive Summary  | 11-16 |
| Annual Operating Budget Overview   | 17-25 |
| Accounting System and Budgetary Control                                  | 19    |
| Financial Policies   | 19-23 |
| Master Plan / Strategic Plan   | 23-24 |
| Source and Use of Funds  | 25    |
| Supplemental Information   | 26-27 |
| Park Information   | 28-29 |
| General Budget Review  | 30-31 |
| Budget Summary Report  | 32-39 |
| Combined Statement of Revenues, Expenditures and Charges in Fund Balance | 40-51 |
| Equalized Assessed Valuation, Tax Rates, and Discussions                 | 52-53 |
| Debt Position  | 54-57 |
| Total District Budget  | 58-66 |
| Operational Areas  |       |
| A. General Operations  | 67-73 |
| B. Parks Management  | 74-78 |
| C. Recreation  | 79-86 |
| Appendices   |       |
| A. Capital Improvement Plan 2020-21                                      |       |
| B. Categories of Service   |       |
| C. Budget and Appropriations Ordinance                                   |       |
| D. Capital Asset Policy  |       |
| E. Fund Balance Policy   |       |
| F. Five Year Financial Plan  |       |
| G. Glossary  |       |

## Mission and Vision Statement



# Gurnee Park District

## **Mission**

Promoting fun and preserving nature.

## **Vision**

As a nationwide leader in our field, be the premier provider of community driven and innovative park and recreation experiences, while maintaining financial stability.



# Gurnee Park District

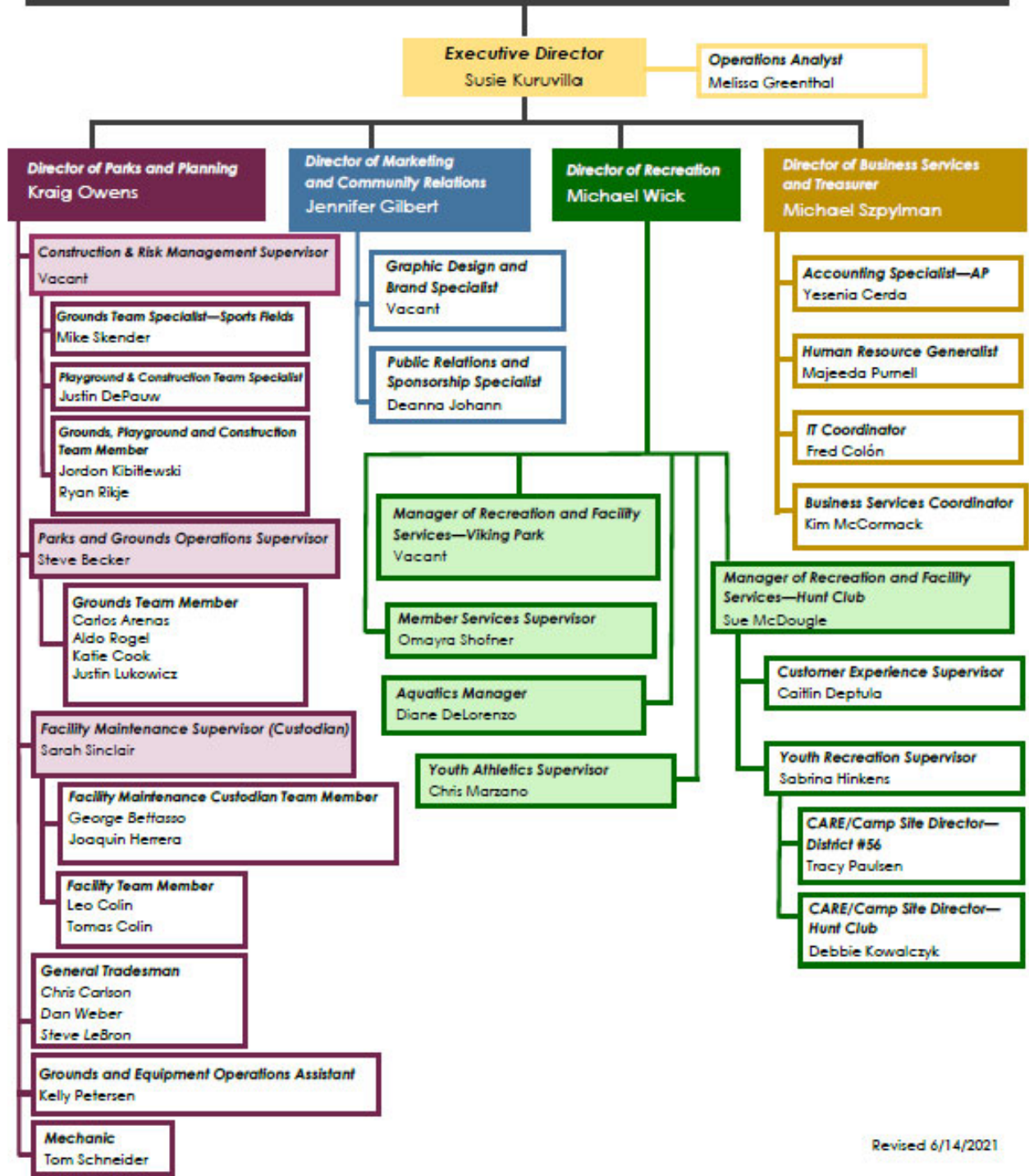
## ORGANIZATIONAL CHART

Full time Positions

### Board of Park Commissioners

Jim Goshom, President  
Vicki Paddock, Vice President

Michelle Klemz, Secretary  
Gerry Crews, Commissioner  
Aaron Datzol, Commissioner



Revised 6/14/2021



## Gurnee Park District Leadership Team

### **Susie Kuruvilla, CPA, CPRP - Executive Director**

Melissa Greenthal - Operations Analyst

### **Michael Szpylman, CPRE - Director of Business Services**

Fredrick Colón - IT Coordinator

Majeeda Purnell - Human Resources Generalist

### **Michael Wick, CPRP - Director of Recreation**

Sue McDougle, CPRP - Manager of Recreation and Facility Services - Hunt Club

Diane DeLorenzo - Aquatic Manager

Sabrina Hinkens - Youth Recreation Supervisor

Chris Marzano, CPRP - Youth Athletics Supervisor

Omayra Shofner - Membership Services Supervisor

Caitlin Deptula, CPRP - Customer Experience Supervisor

### **Kraig Owens, CPRP - Director of Parks & Planning**

Steve Becker, CPRP - Parks & Grounds Operations Supervisor

Sarah Sinclair - Facility Maintenance Supervisor

### **Jennifer Gilbert, CPRP - Director of Marketing & Community Relations**

## Gurnee Park District Profile

- CHARTERED** The Gurnee Park District was established by a local referendum on September 7, 1968, as a special purpose unit of government as provided by the Illinois Park District Code.
- GOVERNED** A five member, elected Board of Commissioners, each of whom serves a four year term, constitutes the governing board of the Park District. Current Board members are Jim Goshorn, President; Victoria Paddock, Vice President; Michelle Klemz, Secretary; Gerald Crews and Aaron Dalzot.
- BOUNDARIES** The 14.73 square mile Park District is located in northeastern Lake County, approximately 45 miles northwest of the Chicago Loop. The District serves all of the residents of the Village of Gurnee, as well as residents of Continental Village and Hickory Hills in the City of Waukegan and Countryside subdivision in unincorporated Warren Township.
- POPULATION** The Park District's population is estimated at 33,067.
- REAL ESTATE** The equalized assessed value (EAV) of real estate for 2020 is \$1,205,187,331.
- TAX RATE** The tax rate for 2020 is \$0.504 per \$100 of assessed value.
- DEBT RATING** The Park District issues General Obligation Bonds for capital improvements and currently holds an AA+ rating from Standard and Poor's and an "A2" bond rating from Moody's Investor Service on its outstanding debt.
- RESOURCES** The Park District holds title to 416 acres, which includes parks, trails, ball fields, wetlands and open space. The Park District maintains 28 park sites, two community centers, two fitness centers, one outdoor aquatic center, five tennis courts, 15 outdoor pickleball courts, seven volleyball courts, three skate parks, one fishing area, 16 ball fields, 22 soccer fields, 14 picnic areas, 24 playgrounds, 23 basketball courts, and one cricket pitch. Agreements with the local schools provide the Park District with the use of their facilities that include several gymnasiums.



**SERVICES**

The Park District provides a full range of recreational services to its citizens, including adult leisure, arts & crafts, before and after school care, dance, fitness, gymnastics, aquatic programs, preschool, senior citizen mixers, athletics and day camps. Special events include an annual 10K run, a Halloween Trick or Treat Path, an outdoor movie, an annual winter festival (Frosty Fest), Easter Egg Hunt with the Easter Bunny, Breakfast with Santa, Enchanted Evening parent/child dance, several Parent's Nights Out, a free summer outdoor concert series as well as many other smaller special events.

The Park District is associated with the Warren Special Recreation Association, which provides leisure and recreation activities for adults and children with disabilities.

**STAFF**

The Park District has an appointed Executive Director responsible to the Board of Park Commissioners for the administration of the Park District which includes a full-time staff of 41, approximately 250 year round part time and 175 seasonal employees as well as hundreds of volunteers under normal operating conditions. With the Park District still

recovering from the COVID-19 pandemic, the current staffing level includes 41 fulltime, 125 year round part time and 164 seasonal employees.

**AFFILIATIONS**

The Park District is affiliated with the National Recreation and Parks Association (NRPA), the Illinois Park and Recreation Association (IPRA), the Illinois Association of Park Districts (IAPD), FC Lake County, Gurnee Youth Baseball, Warren Area Lacrosse, Blue Devil Swim Club and Warren Blue Devils Baseball Club. The Park District also maintains intergovernmental agreements with Gurnee Grade School District 56, Woodland School District 50, Warren Township High School District 121 and the Village of Gurnee.

**CONTACT****Gurnee Park District**

4374 Old Grand Avenue

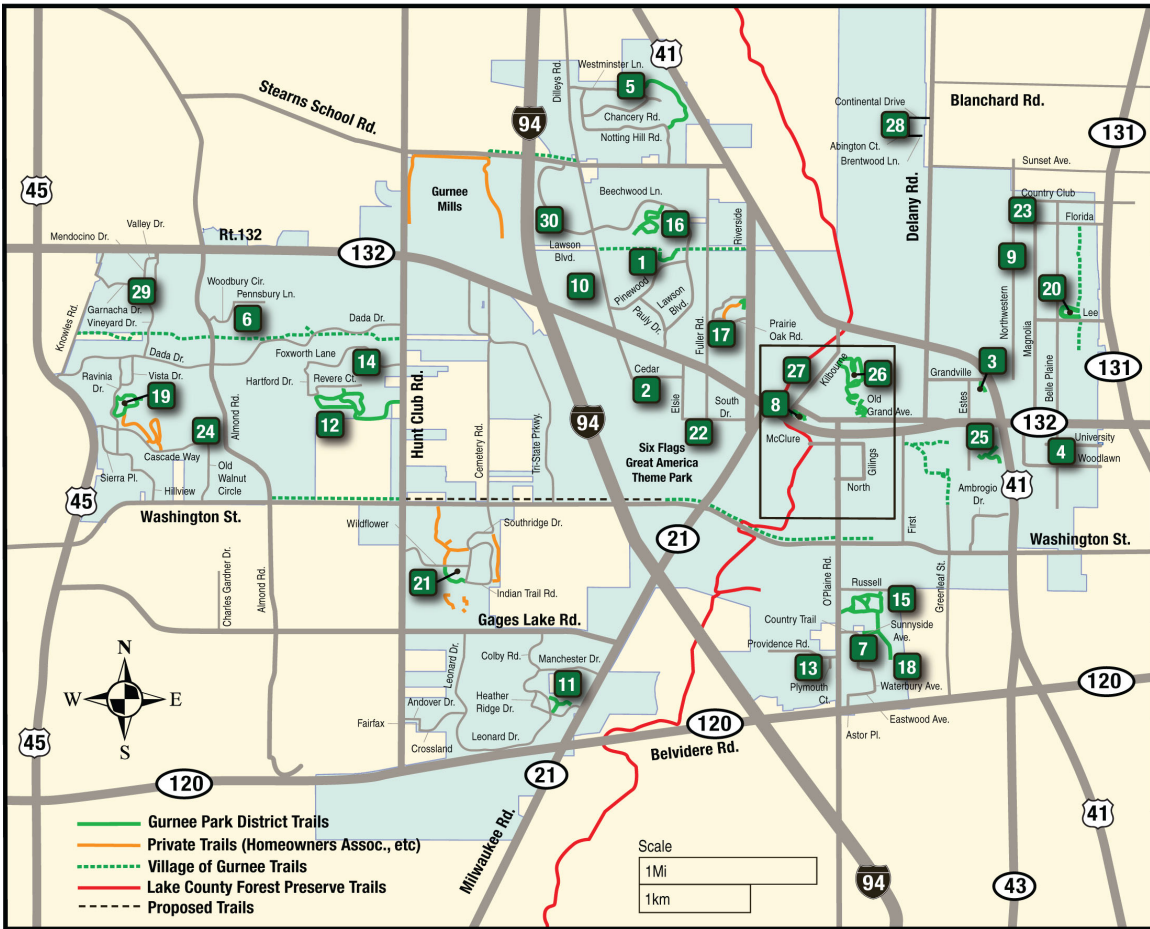
Gurnee, IL 60031

P: 847-623-7788

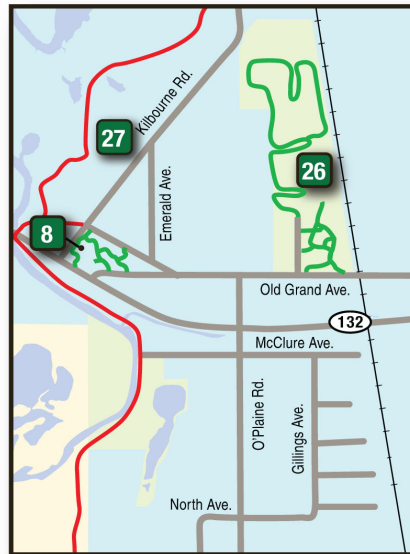
F: 847-623-8121

[GurneeParkDistrict.com](http://GurneeParkDistrict.com)

# Map of Gurnee Park District Parks and Facilities



- |                                |                                 |
|--------------------------------|---------------------------------|
| 1 Betty Russell Community Park | 16 Pembroke Woods               |
| 2 Cedar Park                   | 17 Prairie Oaks Park            |
| 3 Chittenden Park              | 18 Providence Park              |
| 4 Christine Thompson Park      | 19 Ravinia Park                 |
| 5 Churchill Hunt Park          | 20 Shaw Park                    |
| 6 Concord Oaks Park            | 21 Southridge Park              |
| 7 Country Trails Parkway       | 22 South Road Park              |
| 8 Esper Petersen Park          | 23 Spaulding School/Park        |
| 9 Eugene J. Kennick Park       | 24 Timberwoods Park             |
| 10 FitNation                   | 25 University Park              |
| 11 HeatherRidge Woods          | 26 Viking Park                  |
| 12 Hunt Club Park              | 27 Viking Park West             |
| 13 Kings Park                  | 28 Village Park/Nature Preserve |
| 14 Maintenance Facility        | 29 Vineyard Park                |
| 15 O'Plaine Community Park     | 30 Westgate Park                |





April 20, 2021

Gurnee  
Park District

Board of Park Commissioners  
Gurnee Park District  
Lake County, IL



Jim Goshorn  
President

Honorable Commissioners:

Vicki Paddock  
Vice President

Gurnee Park District’s fiscal year 2021-2022 budget of \$13.4 million is prepared consistent with the Park District’s mission of promoting fun and preserving nature as well as the Park District vision: As a nationwide leader in our field, be the premier provider of community driven and innovative park and recreation experiences, while maintaining financial stability. We are confident that this budget is the financial plan that will enable the Park District to proactively and successfully operate through the COVID-19 pandemic recovery as well as achieve the annual goals for the fiscal year.

Michelle Klemz  
Secretary

Gerald Crews  
Commissioner

Aaron Dalzel  
Commissioner

Susie Kuruvilla, CPA, CPRP  
Executive Director

Mike Szymian, CPRE  
Treasurer

Management believes the worst of the COVID-19 pandemic is behind us and recovery will occur during the upcoming year. Fiscal Year 2020-21 was tremendously effected in a negative manner by the pandemic. One main financial goal for the Park District was to remain above our fund balance target levels in our two main operating funds, Corporate and Recreation. Recent 2020-21 year end projections show that this goal will be accomplished. This puts the District in as positive a position as possible as we anticipate the pandemic recovery and begin to re-grow the financial levels of the Park District.

As a National Gold Medal winner, the Park District has a core standard of never accepting the status quo, but instead to always move forward providing excellent services and recreational opportunities to our great community. The District is extremely proud of the amazing parks, recreational programs and services we provide to the community. As we recover from the pandemic, we are very excited about the future and our ability to raise value we provide to the community to an even higher level while maximizing efficiency.

**Fiscal Year 2020-21**

The COVID-19 pandemic brought once in a lifetime challenges to the Park District. The pandemic has had a tremendous impact on Park District operations. The pandemic started in early calendar year 2020 and is still ongoing. The pandemic had the biggest impact on recreation programming, fitness and aquatic center operations. Management estimates just over \$6 million in lost revenue from March 2020 through April 30, 2021.

During this past fiscal year, May 1, 2020 to April 30, 2021, Park District Leadership and staff worked tremendously hard to offer recreation programming and fitness opportunities to the residents and customers of the Gurnee Park District while safely operating within the guidelines of the State re-opening plan. One main financial goal for the Park District during fiscal year 2020-21 was to remain above our fund balance target levels (25% of operating expenditures) in our two main operating funds, Corporate and Recreation. This goal will be met through the creativity, innovation, hard work and financial discipline of the entire Park District Team. Even

*Promoting fun. Preserving nature.*

4374 Old Grand Avenue, Gurnee, IL 60031    GurneeParkDistrict.com    Tel: 847-623-7788    Fax: 847-623-8121

with the COVID-19 pandemic impacting operations, some great accomplishments were achieved at the Park District as described in detail below.

In compliance with State of IL COVID-19 guidelines, the District was forced to close all facilities and cancel all recreational programming beginning March 14, 2020. As the pandemic continued on, Recreation staff used their creativity to offer recreation opportunities to the community during the early stages of the pandemic while facilities we still completely closed to the public. Some of this recreation programming were new activities never before offered by the district such as virtual bingo and trivia nights. Other long-standing popular Park District programs were moved to the virtual environment to allow residents to continue participation such as dance classes and fitness group exercise classes. Park District residents were very thankful for these recreation opportunities while they were stuck in their houses for the majority of the day.

As the State of IL COVID-19 protocols allowed for outdoor programming with strict social distancing and mask wearing requirements, the District began to offer outdoor activities that followed the State guidelines. As with the virtual programming some of these activities were new offerings such as the first ever outdoor movie night that was held in the Hunt Club Park Aquatic Center parking lot in which families remained in their cars and watch the movie on a large screen. District staff continued their creative thinking and re-launched some of our traditional popular indoor programs by moving the programs outdoors such as dance class, karate, fitness group exercise and some additional youth athletic activities. Following very strict COVID-19 safety protocols, the District ran fall youth soccer. This was very well received by the community after we were forced to cancel 2020 spring soccer.

The early stages of the pandemic brought tremendous childcare need challenges to many members of the community. While COVID-19 safety guidelines did not allow the District to run our very popular summer day camp, we were able to offer a reduced participation Summer Club. This program offered much needed childcare options to the community.

For most of the 2020-2021 school year, the two elementary/middle school districts in the Gurnee Community operated under an e-learning environment. This also created childcare challenges too many community members. Operating under the State of IL guidelines, the District offered an e-learning program at our Hunt Club Park and Viking Park Community Centers.

The Park District operates a 75,000 sq. ft. fitness facility (FitNation) with over 6,000 members. At the beginning of the pandemic, pursuant to State of IL COVID-19 guidelines, the District was forced to close FitNation. State of IL COVID-19 re-opening guidelines allowed for the opening of FitNation on June 29, 2020 at 50% capacity. There have been several COVID-19 protocols set forth by the State of IL that the District followed since the initial re-opening date listed above:

- 6/29/2020 - 50% capacity
- 10/1/2020 - Locker rooms open
- 11/2/2020 - Childcare open
- 11/20/2020 - reduced to 25% capacity (locker rooms, sauna, group exercise, childcare, towel service all suspended). Reservations required for workouts.
- 1/19/2021 - No reservations required for workouts
- 1/21/21 - 50% capacity
- 1/25/21 - Locker rooms, group exercise, towel service returns

## Gurnee Park District

4374 Old Grand Avenue, Gurnee, IL 60031

GurneeParkDistrict.com

Tel: 847-623-7788

Fax: 847-623-8121

Starting with the shutdown through current operations, the Park District has offered members a no fee hold for their memberships. The District has received numerous compliments for our operating procedures following the State of IL safety guidelines and protocols.

During the pandemic, Park District outdoor space and recreation offerings such as playgrounds and trails became an extremely popular outlet for community members. The Parks team did an amazing job keeping these amenities clean and available for the community to enjoy.

There were several capital projects completed in fiscal year 2020-21 highlighted by the replacement of the concrete in front of the Hunt Club park Community Center. The large area in front of the main entrance was replaced with brick pavers. The area in front of the preschool entrance was replaced with new concrete.

The Park District's Fiscal Year 2020-2021 Annual Budget won the Distinguished Budget Presentation Award. This was the 11th year the Park District received the Distinguished Budget Presentation Award. The Park District first applied for the award in 2010 with the Fiscal Year 2010 – 2011 Annual Budget. The GFOA established the Distinguished Budget Presentation Awards Program (Budget Awards Program) in 1984 to encourage and assist state and local governments to prepare budget documents of the very highest quality that reflect both the guidelines established by the National Advisory Council on State and Local Budgeting and the GFOA's best practices on budgeting and then to recognize individual governments that succeed in achieving that goal. Documents submitted to the Budget Awards Program are reviewed by selected members of the GFOA professional staff and by outside reviewers with experience in public-sector budgeting.



#### **Fiscal Year 2021-22**

Management believes the worst of the COVID-19 pandemic is behind us and recovery will occur during the 2021-22 fiscal year. Operating challenges still remain as the pandemic is not entirely behind us. This is highlighted by the 2021-22 budget amount for fees and charges revenue which consists of recreation programming, fitness operations and aquatic center operations. Fees and charges revenue is budgeted at 81% of 2018-19 levels which represents the last fiscal year not effected by the COVID-19 pandemic. The District expects to reach pre-pandemic revenue levels in fiscal year 2022-23.

In the recreation programming area, the District is extremely excited to once again offer many popular programs that could not be offered last year due to State of IL COVID-19 pandemic restrictions. This is highlighted by the District's very popular Summer Camp program. While we still cannot offer 100% of pre-pandemic level registrations, 2021 summer camp is planned to operate much more like pre-pandemic programming than 2020 Summer Club which was very different from traditional summer camp due to State of IL COVID-19 restrictions.

Management expects further reductions in COVID-19 fitness operations restrictions from the State of IL by early summer of 2021 and anticipates returning to full capacity and no operating restrictions during the fiscal year. At the end of fiscal year 2020-21, we anticipate membership to be just under 50% of normal membership levels. The 2021-22 budget calls for membership to

## Gurnee Park District

4374 Old Grand Avenue, Gurnee, IL 60031

[GurneeParkDistrict.com](http://GurneeParkDistrict.com)

Tel: 847-623-7788

Fax: 847-623-8121

reach just over 80% of normal membership levels by the end of the fiscal year which will put FitNation on track to reach pre-pandemic membership by fall/winter of 2022.

The Park District is very excited about the opening of Hunt Club Park Aquatic Center in the summer of 2021. For the first time since opening in 2002, due to State of IL COVID-19 restrictions, the aquatic center did not open in the summer of 2020. Hunt Club Park Aquatic Center is a staple of the community that offers wonderful aquatic recreation to our residents and many members of surrounding communities.

The Park District takes pride in being great stewards of public resources and returning great value to our community members. Following the approved capital project plan the District will complete many important projects in 2021-2022. A couple projects to highlight are –

- Timberwoods Park – In 2021-2022 the 5-12 year old aged children playground structure will be replaced including new ADA playground equipment and ADA surfacing. In 2018-19 the 2-5 year old aged children playground structure and all park swings were replaced.
- Viking Park Drainage and Trail Improvement – The improvements will help mitigate flooding of sports fields and an adjacent parking lot at Viking Park from storm water runoff. Engineered plans call for re-shaping of existing drainage swales, the installation a new bridgehead with 30” culverts replacing a deteriorating bridgehead with 24” culverts currently in place, and the replacement of four 24” culverts along the park trail.

The Park District has established three themes to serve as a guide during the pandemic recovery during fiscal year 2021-22 continuing into 2022-23. These themes are –

- Theme #1 – Diversity, Equity and Inclusion
- Theme #2 – Enhance Relationships with Community via the Parks
- Theme #3 – Reinvent the Park District

There is no doubt 2021-2022 fiscal year will remain challenging as the recovery from the effects of COVID-19 begins. Many years of successful planning and execution have prepared the District to not only survive, but emerge in a positive position. Management and staff are extremely excited about the challenges and opportunities ahead in 2021-2022 and beyond.

#### **The Reporting Entity and its Services**

The Park District provides recreational opportunities and services to the residents of Gurnee, Lake County, Illinois as well as surrounding communities. These services include providing recreational programs, maintaining park facilities, and managing capital improvement projects.

A Board of five Commissioners, elected at large by district residents, governs the Park District. The Commissioners serve four-year terms staggered with elections every two years. The Board is responsible for the long-term direction of the district, establishing overall policies and appointment of the Executive Director and other Board officers. The Board selects the officers of President, Vice President and Secretary.

The Park District includes all of the funds of its governmental operations and component units based on financial accountability. The accompanying budget documents include only those funds

## Gurnee Park District

4374 Old Grand Avenue, Gurnee, IL 60031

GurneeParkDistrict.com

Tel: 847-623-7788

Fax: 847-623-8121

of the Park District, and there are no other organizations for which we have financial accountability. The Park District participates in the Illinois Municipal Retirement Fund (IMRF), the Warren Special Recreation Association (WSRA), and the Park District Risk Management Agency (PDRMA). Since these organizations are separate government units and the Park District does not exercise financial accountability over these agencies, their annual budgets are not included in this report.

#### **Economic Condition and Outlook**

The Gurnee Park District was established as a separate municipal body in 1968. In over 50 years of service, we have grown in programs, facilities and recreation value to the lives of Gurnee Park District residents. The current population served is 33,067. Modest growth is expected to continue in both residential and commercial development in future years. Equalized assessed valuations (EAV) of \$1.205 billion for tax year 2020, represents a 0.4% increase from 2019. This is the sixth straight year of increase in EAV for the Park District after six straight years of decreases in EAV. The tax year 2020 EAV is still 13% lower than the tax year 2008 EAV.

The greatest factor still negatively effecting the current national and local economy is the COVID-19 pandemic, creating a very uncertain economic time. Historically, the Park District has been able to maintain financial stability through uncertain economic times because of the core value of fiscal responsibility. An important factor to our financial success is the revenue source split between fees and charges for services and taxes, which since 2013 has been around 55% and 40% respectively, with the remaining 5% generated from interest income, developer donations and miscellaneous revenues. The impact of COVID-19 has lowered our charges for services revenue by 71% in fiscal year 2020-21 and changed the revenue split for the District to 72% taxes and 25% charges for services. With the COVID-19 recovery expected in 2021-22, the District estimates fees and charges revenue to increase 191% compared to 2020-21 and reach 81% of pre-pandemic levels. The revenue split between fees and charges for services and taxes in 2021-22, is expected to be around 49% and 50% respectively.

Several years ago the Park District instituted a minimum fund balance policy requiring that fund balances be equal to 25% of operating expenditures. Also, any excess fund balance above the goal is transferred to the Capital Development and Replacement Fund for future capital needs. As a result of this policy the Park District is well positioned to weather economic storms such as the COVID-19 pandemic.

One main financial goal for fiscal year 2020-21 was to remain above the combined fund balance targets for the two main operating funds, Corporate and Recreation. While we will not be able to remain above the fund target in the Recreation Fund because of the negative pandemic impact on programming, we will be able to bring the fund balance up to the target level by directing money from the Corporate Fund which can remain above the fund balance target through expenditure control. As of March 31, 2021 the Corporate and Recreation Funds combined fund balances are projected to end the fiscal year \$245,411 above target.

The financial discipline and stability the Park District holds as a core value will make it possible for us to successfully recover from the COVID-19 pandemic.

## Gurnee Park District

4374 Old Grand Avenue, Gurnee, IL 60031    GurneeParkDistrict.com    Tel: 847-623-7788    Fax: 847-623-8121

**Budget Highlights**

The 2021/2022 budget as presented is a balanced budget. Total budgeted revenue including other financing sources for fiscal year 2021/2022 is \$13,103,796 and total budgeted expenditures are \$13,425,553.

While at first glance the budget does not appear to be balanced, it is due to using accumulated fund balances for various capital projects. With the exception of fiscal year 2020-21, fund balances are not used to cover operational expenditures in any funds unless it is a planned action to use surplus fund balances in some of the small funds.

In 2020-21 the planned action to use fund balance to support operations was specifically due to the negative COVID-19 impact. The proposed 2021-22 budget does not include using fund balances to support operational expenditures.

**Acknowledgements**

The operational area budgets in this document are prepared for use as a management tool and are not legally required documents. Management uses this baseline to assess, evaluate and change activities during the year in order to achieve its overall objective of providing high quality recreational activities for Park District residents. The Budget and Appropriation Ordinance, which is the legally required document, will be discussed during a public hearing and approved at an open Board meeting on May 18, 2021.

The 2021-22 Annual Budget was assembled through the efforts of the Executive Director, directors, managers, supervisors and support staff. The Business Services Team is responsible for final preparation, Budget and Appropriation Ordinance preparation, distribution and filing. The Annual Budget is prepared one time during the year, reviewed regularly throughout the year, and would not be possible without the concerted effort of the Park District's staff and the support of the Board of Commissioners.

Respectfully Submitted,



**Susie Kuruvilla, CPA, CPRP**  
Executive Director



**Michael Szyplman, CPRE**  
Director of Business Services

**Gurnee Park District**

4374 Old Grand Avenue, Gurnee, IL 60031    GurneeParkDistrict.com    Tel: 847-623-7788    Fax: 847-623-8121



# 2021-22 Annual Operating Budget Overview

## INTRODUCTION

The Gurnee Park District Annual Operating Budget for fiscal year 2021-22 continues the long standing practice as the financial guide to meet the parks, open space and recreational opportunities for a community of 33,067 residents.

This detailed document is prepared as an aid to understand the legal budget and appropriation ordinance. The Budget and Appropriation Ordinance, appropriating all funds, is scheduled to be adopted following a public hearing on May 18, 2021. No more than thirty days prior to the hearing, notice of the place and time is published in the local press. The ordinance was made available for inspection by the public on the Park District's website. A physical copy of the ordinance was available by contacting the Director of Business Services because of the closing of the Viking Park Community Center and Hunt Club Park Community Center

due to the COVID-19 pandemic. The Budget and Appropriation Ordinance is adopted before the first quarter of each year and filed with Lake County within 30 days of adoption.

Along with a certified copy of the Budget and Appropriation Ordinance, the Park District files anticipated revenue during the fiscal year covered by the appropriation ordinance. The Park District's chief fiscal officer, the Director of Business Services, is responsible for certifying the revenue estimate. The Budget and Appropriation Ordinance also outlines any probable expenditure of grant or developer impact fees.

State law prohibits further appropriation at any time within the same fiscal year. The Board of Commissioners has the authority after the first six months of the fiscal year to make transfers between the various items in any fund in the appropriation ordinance with a two-thirds vote. Transfers cannot exceed 10%, in the aggregate,

of the total amount appropriated for the fund or item that is having funds reallocated. The Board of Commissioners may amend the Budget and Appropriation Ordinance, but it must be done in accordance with the same procedure followed when the ordinance was originally adopted.

The Park District uses a detailed line item budget for accounting, expenditure control and financial reporting with a modified accrual basis of accounting, the same basis used in the Park District's audited financial statements. The Park District combines a year-end review and Annual Budget to assure that the baseline information used for comparison purposes is reasonable.

## BUDGET PLANNING PROCESS

The budget process officially begins in November when the Board of Commissioners approves the Park District's "Categories of Service" document. This document

outlines all the services provided by the Park District into four categories. Those categories are Basic Public, Extra Public, Private and Enterprise. Services are categorized based on how much they are subsidized by the Park District as well as the availability of the service to the community. The amount of subsidy is determined by the percentage of revenue set aside after direct expenses. The net revenue percentage for indirect costs is calculated at the beginning of the upcoming fiscal year budget cycle using the average of projected indirect cost percentage for the current fiscal year and actual indirect cost percentage from the previous two fiscal years. See Appendix B to see the current Categories of Service approved by the Board for Fiscal Year 2021-22.

Once the Categories of Service is approved, budget "kickoff" meetings are scheduled with the Recreation, Parks and Marketing Departments. These meetings are held on an annual basis to provide staff with direction and guidance in developing their departmental

**Fiscal Year 2021-22 Budget Timeline:**

|                     |  |
|---------------------|--|
| March 16 – April 16 | Make all corrections and finalize detailed budget.   |
| April 12, 2021      | Post Budget & Appropriation Ordinance in tentative form.   |
| April 20, 2021      | Final internal operating budget is presented and approved by the Board.                                      |
| April 20, 2021      | The Public Hearing on the Budget and Appropriation Ordinance is called to be held on May 18, 2021 at 7:00PM. |
| May 18, 2021        | Budget & Appropriation public hearing at 7:00PM.   |
| May 18, 2021        | Adopt Budget and Appropriation Ordinance at the regular board meeting.                                       |
| May 21, 2021        | File Budget & Appropriation Ordinance with Lake County.  |

budgets. In addition, meetings are held with each department on a quarterly basis throughout the budget year.

After the budget kickoff meeting, staff spent the months of December and January preparing preliminary departmental budgets. Once the preliminary departmental

budgets were completed, staff submitted their budgets to the Director of Business Services. During the month of February, the Director of Business Services added non-departmental specific items to the budget and completed the first draft of the document.

The Executive Director and the

Director of Business Services reviewed the first draft to make any necessary adjustments.

The Business Services Department prepared a preliminary line item budget document with corresponding summary worksheets and an Executive Summary for presentation to the Board of Commissioners at the March 16, 2021 meeting. At this time the Board gave additional input and provided guidance as to the final direction of the 2021-2022 fiscal year budget. At the April 20, 2021 meeting, the Board of Commissioners is asked to approve the 2021-22 fiscal year budget.

The Park District was awarded the Government Finance Officers Association (GFOA) Distinguished Budget Award for the 2020-21 fiscal year budget for the eleventh consecutive year. The Park District will again seek to win the GFOA Distinguished Budget Award for the 2021-22 fiscal year budget. This requires preparing a budget document in compliance with GFOA requirements.

## **ACCOUNTING SYSTEM AND BUDGETARY CONTROL**

Budgetary control is provided by verification of appropriation amounts prior to expenditures and monthly review of all individual account expenditures compared with budgeted appropriations. The Leadership Team receives monthly reports detailing actual revenue and expenditures versus the budget on a monthly and year to date basis. The prior year's monthly and year-to-date activity is also listed. This information is used to monitor the budget policy and implementation. The Board of Commissioners receives this information on a monthly basis as well.

Program fees and taxes that exceed general operating expenses are proposed each year. Budget surpluses, excess fund balance and debt management comprise funding for the Park District's capital improvement program. Capital improvements are the Park District's discretionary spending, whereas operating expenditures are driven by programs called for by the community.

Principally, user fees, interest income and taxes provide funds for services. User fees are studied for trends, weather impact and facility availability before projecting realistic goals. Property taxes are one of the major sources of revenue for general operations. The property tax levy for operations has gradually increased over the past several years at roughly the rate of inflation plus allowances for new construction. The overall 2020 levy is a 2.5% increase from the 2019 tax levy and the Park District has a consistent property tax collection rate of over 99%.

## **FINANCIAL POLICIES**

The Park District operates under a series of financial policies and procedures that outline processes for financial planning, treatment of revenue streams and control of expenditures. The Park District is required by statute to adopt an annual budget. The Park District administrative staff prepare, review, and present the budget each year to the Park Board. To protect the major capital assets entrusted to the Park District by the residents, assessments of facilities and

physical inventories are periodically performed.

The Park District's financial policies seek to improve the programs and services provided to our community as well as enhance the financial capability of the Park District.

### **BALANCED BUDGET**

The Park District adheres to the policy of a balanced operating budget. Under normal conditions, operating expenditures are less than the non-debt related real estate taxes and fees for services. Surplus from operations, funds a portion, if not all, of ongoing capital improvement needs. A total budget deficit will only be the result of discretionary spending approved by the Board for capital improvements or to account for extraordinary circumstances such as the COVID-19 impact on 2020-21 fiscal year.

### **ASSET INVENTORY**

The Park District prescribes to the policy of asset protection. Major capital assets, including recreation facilities, support facilities, open recreation venues and vehicle fleet are reviewed

annually for repair proposals. Existing conditions studies are occasionally performed on older facilities to develop longer term plans for renovation or expansion. Master plans for major park land are done at initial acquisition and at other times to develop long term renewal strategies.

### **DIVERSITY OF REVENUE**

The Park District is mainly funded through fees for services and real estate taxes. The Park District has little or no control over the diversity of the tax base. Taxes are assessed twice per year at the end of spring and at the end of summer. The Park District adheres to the policy of varied fees for services. To the extent possible, fees are collected before a service or facility is used. Revenue-producing facilities are kept in good to excellent condition and studied in depth before major renovation. If revenue facilities are taken off line for renovation, care is taken to gauge the impact to revenue and to plan the business re-development.

### **FEES FOR SERVICES**

The Park District adheres to the policy that fees are charged for recreation activities. Non-residents will be charged a higher rate for participation in most Park District programs. Residents are defined as those whose home is within the boundaries of the Park District. Program and activity fees are reviewed and adjusted as necessary to meet changing operating costs and/or market conditions. Where market opportunities exist to cover additional indirect costs such as operating maintenance, administrative overhead and use of capital assets, staff will set fees higher than the operating cost. The Park District uses the Board-approved Categories of Service document as a guide when determining fees.

### **INFREQUENT REVENUE**

The Park District occasionally receives revenues that cannot be relied upon for ongoing funding. Examples of these are grants, contributions to capital projects and developer impact fees. The Park District prescribes to a policy that these funds are used towards capital improvements and repairs

to the Park District's capital assets. If grants or contributions are designated for a specific project, they will be held for that project in the fund balance.

Development impact fees may be used to acquire property or update nearby parks to provide service to the new residents.

### DEBT ISSUANCE

The Park District subscribes to a policy that facility improvements will be provided from the real estate tax base and program fees will support the recreation activities. Therefore, the costs associated with acquiring and improving long-term capital

assets are funded with the issuance of debt and/or surplus from operations. The Park District reviews existing obligation structure, current and projected surplus from operations and future liability levels before making decisions to issue new debt. The Board reviews the statutory debt limit as part of any new issuance or referendum. Real estate tax revenue and obligation retirement expenditures pass through the Debt Service Fund. Detailed information on the Park District's statutory debt limits and other statistics are detailed on pages 54-57.

### FUND BALANCE

The Park District's fund balance policy prescribes to maintain a prudent level of financial resources when possible to protect against revenue shortfalls or unpredicted expenditures.

The fund balance policy for most funds is to have a minimum fund balance of 25% of the following year's operating expenditures.

The chart below illustrates the fund balance levels in the respective funds. In total the Park District's Fund Balance target amount for all funds combined is \$2,696,532. The Park District is projected to have \$8,072,824 on

**Table 1 - Fund balance**

| FUND                               | 4/30/2022<br>Budgeted FB | Fund Balance<br>Target | Excess*<br>(Shortfall) |
|------------------------------------|--------------------------|------------------------|------------------------|
| 10- CORPORATE                      | \$ 740,968               | \$ 537,932             | \$ 203,036             |
| 15 - SITE & CONST (dev donation)   | \$ 74,245                | \$ -                   | \$ 74,245              |
| 16 - SITE & CONST (bonds)          | \$ 3,761                 | \$ -                   | \$ 3,761               |
| 17 - CAPITAL REPL / DEVL           | \$ 4,705,618             | \$ -                   | \$ 4,705,618           |
| 20 - RECREATION                    | \$ 1,975,418             | \$ 1,933,044           | \$ 42,375              |
| 30 - AUDIT                         | \$ 8,335                 | \$ 7,665               | \$ 670                 |
| 35 - PAVING & LIGHTING             | \$ 20,706                | \$ 9,250               | \$ 11,456              |
| 40 - REC FOR HANDICAPPED           | \$ 256,929               | \$ -                   | \$ 256,929             |
| 45 - LIABILITY INSURANCE           | \$ 73,188                | \$ 45,141              | \$ 28,046              |
| 50 - IMRF                          | \$ 98,561                | \$ 81,000              | \$ 17,561              |
| 55 - SOCIAL SECURITY               | \$ 115,090               | \$ 82,500              | \$ 32,590              |
| 60 - BOND & INTEREST               | \$ 6                     | \$ -                   | \$ 6                   |
| 61 - DEBT SERVICE (Aquatic Center) | \$ -                     | \$ -                   | \$ -                   |
| <b>Total Fund Balance</b>          | <b>\$ 8,072,824</b>      | <b>\$ 2,696,532</b>    | <b>\$ 5,376,292</b>    |

\* The excess amount of fund balance over fund target of \$5,376,292 is mainly due to the funds that do not have a designated target. The nature of the funds without fund balance targets are for capital projects and bond payments. These funds are not used for operational expenditures.

Table 1 shows the budgeted fund balances at the end of fiscal year 2021/2022.

hand at the end of fiscal year 2021-22. Of this total, \$4,705,618 is in the Capital Replacement / Development Fund and is designated for future capital items and debt payments. The full fund balance policy is included in this document as Appendix E.

### **CAPITAL ASSETS**

The Park District's capital asset policy and procedures prescribes that assets having a value of \$10,000 or more and having a useful life of five years or more are capitalized in the year they are acquired and recorded at their historical cost. Capital assets are classified into four major groups which are land, buildings, improvements other than buildings, and machinery and equipment. Additions and disposals of capital assets are recorded on an annual basis. The Business Services department is responsible for the upkeep of the capital asset records. Depreciation is used to reflect the economic loss in the value of an asset using Generally Accepted Accounting Principals (GAAP). The full capital asset policy and procedures is included in this document as Appendix D.

### **INVESTMENT POLICY**

The investment policy represents the formal effort of the Gurnee Park District Board of Commissioners to develop, implement, and monitor guidelines for the prudent investment and management of the District's funds. In accordance with Illinois law all District funds not needed for immediate disbursement will be deposited within two (2) working days of collection at prevailing rates or better. The Treasurer is designated as the investment officer of the District. Investments shall be based on statutory constraints, prevailing market conditions and the District's authorized needs. Investment activities will be governed by the following specific objectives in order by priority: safety of principal, liquidity, rate of return, and public trust. The investment policy outlines the investments available for the District and mandates that all investments are authorized by and consistent with applicable State law. The Treasurer ensures that all investments are properly collateralized with the institution that holds the investment. A

written report is provided to the Park Board on a monthly basis detailing all outstanding investments.

### **EXPENDITURE ACCOUNTABILITY**

The Park District regularly reviews financial results compared to the budget. Each month financial results are reported and discussed with the Park Board. In addition, relevant program information, year-to-date revenues and expenditures and projected year-end results are provided by staff. Tracking of capital improvement project expenditures is provided on a regular basis as well.

Fiscal policy states that the Park District shall make prompt payment of purchases as provided by the Local Governmental Prompt Payment Act of Illinois.

A detailed investment policy emphasizing safety of principal, authorized investments, collateralization and a policy promoting inclusion of community businesses in purchasing opportunities are also in place.

## INTERNAL CONTROLS

The Park District maintains a system and environment of internal control to safeguard its assets against loss, check the accuracy and reliability of its accounting data, promote operational efficiency, and encourage adherence to prescribed financial policies adopted by the Park District Board of Commissioners.

The Park District Board of Commissioners and Management Staff demonstrate and promote a commitment to integrity and ethical values. Management Staff, through oversight of the Board of Commissioners, establish structures, reporting lines and appropriate authorities in pursuit of objectives. The Park District demonstrates a commitment to attract, develop and retain competent individuals in alignment with the mission and vision of the District. Individuals are held accountable for their internal control responsibilities as it relates to their job duties.

## MASTER PLAN

The Board of Commissioners



**Gurnee  
Park District**  
PROMOTING FUN. PRESERVING NATURE.

**Mission Statement:** Promoting fun and preserving nature.

**Vision Statement:** As a nationwide leader in our field, be the premier provider of community driven and innovative park and recreation experiences, while maintaining financial stability.

initiated a process to update the District's current Master Plan in late 2009. A committee was formed, comprised of a cross-departmental team. The results from the 2007 community-wide interest and attitude survey were used to assist the development of this plan. Public input was also sought through a public hearing held on March 16, 2010.

This Master Plan identifies all parks and facilities owned and operated by the District and the need for future improvements and additions. Since Gurnee is heavily developed, and no major population increases are anticipated in the next ten years, most of the Park District's efforts will focus on maintaining a high

standard of excellence with current infrastructure along with ensuring quality service to all residents through timely maintenance, improvements and replacements.

Following national open space standards, the Park District currently has met the open space requirements of 10 acres per 1,000 population. However, the District is lacking in the area of acreage for community parks. Several potential acquisitions are identified. The plan also consists of recommendations and implementation strategies aimed at helping the district meet the expectations of its constituency over the next ten years. This plan

will be annually reviewed and updated according to changes in circumstances and opportunities. This process permits the district to maintain its responsiveness to the residents' needs and is imperative to the district's future success.

The Board of Commissioners approved the Master Plan on April 20, 2010.

### STRATEGIC PLAN

On March 21, 2017 the Park District Board of Commissioners approved the Gurnee Park District Strategic Plan 2017 - 2022. Planning and research for the new Strategic Plan began in May 2016 and included several meetings with the Park Board, the Leadership Team and local civic leaders. The Park District also held two open community meetings to gather input from residents. After all meetings were held the Executive Steering Committee, consisting of the Leadership Team and a consulting group specializing in Strategic Plan development, began the process of creating the strategic initiatives for the plan. Seven strategic initiatives were identified for the new Strategic Plan. Each initiative

went through a full analysis process before being finalized for the Strategic Plan document.

The Park District Board and Leadership Team are confident that Strategic Plan 2017 - 2022 will serve as the guide for continued successful operations and prosperous growth of the Park

District through fiscal year 2021-2022.

A listing of the Park District initiatives identified in the Strategic Plan 2017 - 2022 are included below.

## Park District Initiatives as Identified in the Strategic Plan 2017 - 2022

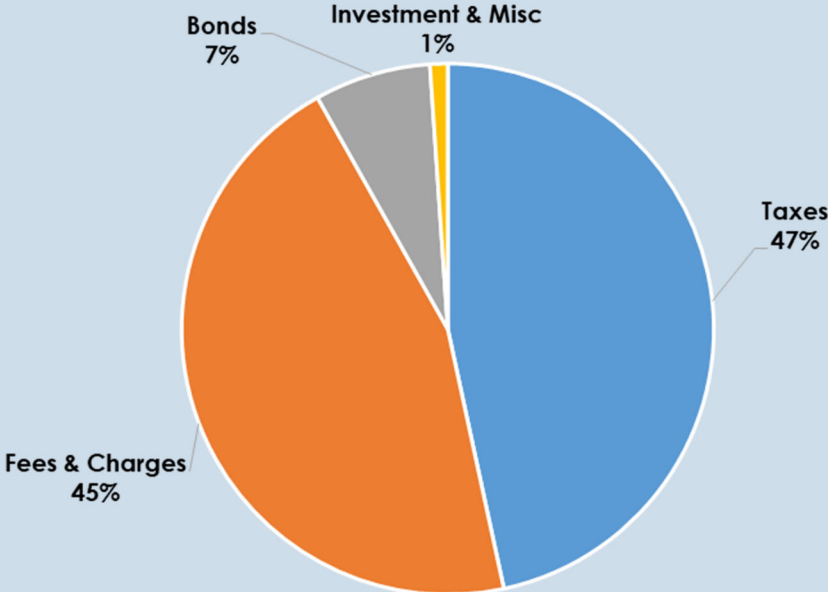
Based on the District's vision and the community needs identified through the research, an Executive Steering Committee developed the following seven strategic initiatives:

- 1. Excellence in Parks and Facilities**
- 2. Exceptional Programs and Services for the Community**
- 3. Leader in Promoting Health and Wellness for the Community**
- 4. Strong Intergovernmental Relations and Community Engagement**
- 5. Effective Communications, Marketing and Customer-Friendly Processes**
- 6. Highly Engaged Employees**
- 7. Financial Stability**



Chart 1: Source and use of funds

Source of Funds



Use of Funds

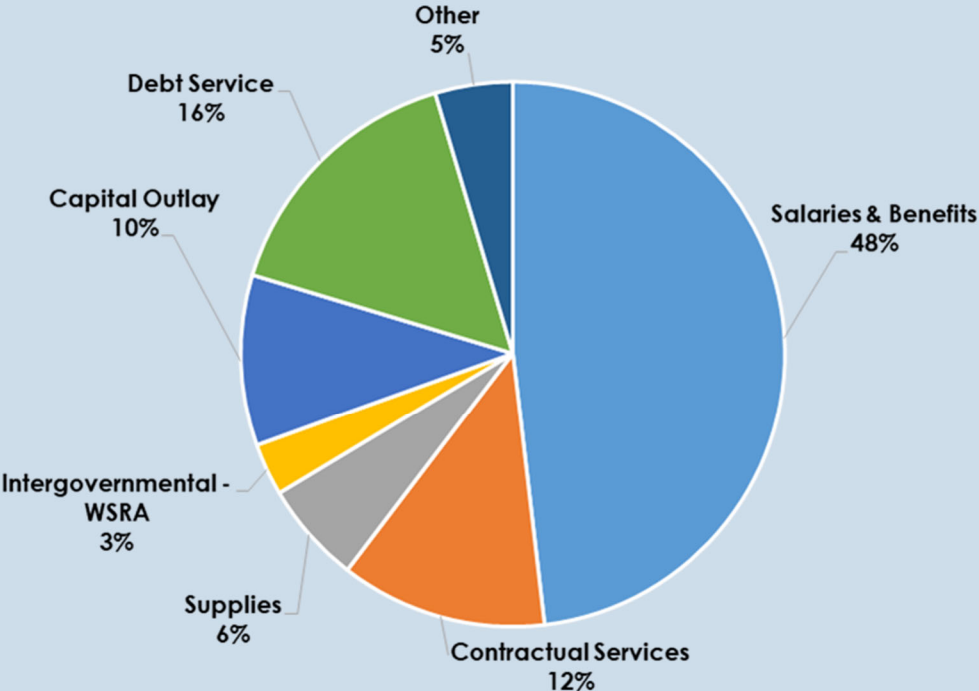


Chart 1 shows the funding sources and the major expenditure use of the 2021-22 Annual Budget. Currently, the sources are split 47% taxes and 45% fees for services. Salaries and benefits make up the largest use of funds followed by debt service, contractual services and capital outlay.

## Supplemental Information

The Gurnee Park District is located approximately 45 miles northwest of the Chicago Loop. With a population of approximately 33,067, the Park District offers recreation opportunities to a very diverse population base who live mostly in single family homes with a median household income of \$85,726.

The Park District continues to be an integral part of the community. As the population in the community begins to age and becomes more diverse (see tables 2 and 3 from the Village of Gurnee 2010 and 2006 census), shifting the program offerings and concentrating on customer service continues to help maintain the Park District's goodwill in the community. The median age in the community is about 37.9.

Although predominantly white, the Park District has substantial African American, Latino and Asian populations. There are 12,031 households with 76.1% being owner occupied. The average household size is 2.77 with 41.5% of households having an

**Table 2: Age distribution in Gurnee, IL**

| Age                   | 2010          |             | 2006          |             |
|-----------------------|---------------|-------------|---------------|-------------|
|                       | Population    | Percent     | Population    | Percent     |
| Less than 10 years    | 4,452         | 15%         | 4,855         | 16%         |
| 10 - 19 years         | 5,134         | 16%         | 5,097         | 16%         |
| 20 - 34 years         | 4,850         | 15%         | 5,263         | 17%         |
| 35 - 44 years         | 4,932         | 16%         | 5,782         | 19%         |
| 45 - 54 years         | 5,655         | 18%         | 5,174         | 17%         |
| 55 - 64 years         | 3,517         | 11%         | 2,645         | 8%          |
| Greater than 65 years | 2,755         | 9%          | 2,354         | 7%          |
| <b>Total:</b>         | <b>31,295</b> | <b>100%</b> | <b>31,170</b> | <b>100%</b> |

**Table 3: Race distribution in Gurnee, IL**

|                           | 2010          |             | 2006          |             |
|---------------------------|---------------|-------------|---------------|-------------|
|                           | Population    | Percent     | Population    | Percent     |
| White / Caucasian         | 20,938        | 67%         | 22,234        | 79%         |
| Black or African American | 2,362         | 8%          | 1,965         | 5%          |
| Hispanic or Latino        | 3,665         | 12%         | 2,902         | 6%          |
| Indigenous                | 57            | < 1%        | 93            | < 1%        |
| Asian                     | 3,601         | 11%         | 3,241         | 8%          |
| Other                     | 672           | 2%          | 735           | 2%          |
| <b>Total:</b>             | <b>31,295</b> | <b>100%</b> | <b>31,170</b> | <b>100%</b> |

**Note: The estimated Park District population is 33,067. The Census data above is from the Village of Gurnee.**

individual younger than 18 at home.

Listed in Table 4 are tax rates among Park Districts in the Lake County area compared to the Gurnee Park District tax rate.

The Gurnee Park District boundaries largely overlap the

Village of Gurnee. The Village of Gurnee has many employment opportunities for local residents. Major industries include tourism and retail shopping. In addition, a large industrial complex known as the Grand Tri-State Business Park provides a variety of factory, warehouse and office

**Table 4: Tax rates among Lake County, IL park districts.**

|                                       |                                     |
|---------------------------------------|-------------------------------------|
| Zion Park District - 1.045            | Grandwood Park Park District - .542 |
| Waukegan Park District - .876         | <b>Gurnee Park District - .504</b>  |
| Wheeling Park District - .795         | Lake Bluff Park District - .492     |
| Barrington Park District - .755       | Grayslake Park District - .480      |
| Foss Park District - .692             | Buffalo Grove Park District - .478  |
| Round Lake Area Park District - .674  | Mundelein Park District - .464      |
| Deerfield Park District - .580        | Vernon Hills Park District - .434   |
| Park District of Highland Park - .572 |                                     |

**Table 5: Largest Employers in Gurnee, IL**

| Employer                                   | 2021         |      |                               |
|--|--------------|------|-------------------------------|
|  | Employees    | Rank | % of Total Village Employment |
| Six Flags Great America / Hurricane Harbor | 3,315        | 1    | 21.26%                        |
| Woodland School District 50                | 832          | 2    | 5.34%                         |
| Warren Township High School District 121   | 484          | 3    | 3.10%                         |
| Nosco Inc.                                 | 400          | 4    | 2.57%                         |
| Gurnee School District 56                  | 390          | 5    | 2.50%                         |
| Great Wolf Lodge                           | 356          | 6    | 2.28%                         |
| Bass Pro Shop                              | 350          | 7    | 2.24%                         |
| Gurnee Park District                       | 330          | 8    | 2.12%                         |
| Village of Gurnee (Full-time Equivalent)   | 233          | 9    | 1.49%                         |
| Wal-Mart Supercenter                       | 230          | 10   | 1.47%                         |
| PPG Industries                             | 225          | 11   | 1.44%                         |
|  | <u>7,145</u> |      | <u>45.82%</u>                 |

2021 Data Sources: Phone canvass of employers, Illinois Department of Employment Security, 2020 Illinois Manufacturer and Services Directories, 2020 Lake County Official Statement, and Official Website of Employer Reference USA Database

jobs. The area's largest employers are presented in Table 5.

The Park District works with several affiliates to offer recreational opportunities including baseball, basketball, softball and soccer.

The Park District extends recreation opportunities during the day and evening by coordinating with local schools for facility use after the school day.

## Park Information

### COMMUNITY PARKS

#### **Betty Russell Community Park**

Originally known as Pembroke Community Park; the name was changed in 1996 to Betty Russell Community Park in honor of the retiring Park District Director, who served the district for 25 years. The total acreage at the park is 18.9 acres. Amenities include a tot-lot and playground, two softball fields, two tennis courts, one half-court basketball, skate park, sand volleyball court, four soccer fields, two skating rinks and a warming shelter/restroom facility.

Betty Russell Park was renovated and expanded beginning in fall of 2010 with replacing the swing sets and installing synthetic grass in the swing areas with materials much like what would be found on synthetic turf athletic fields. In the spring of 2011, the second phase of renovations began with the installation of a Pentagode climbing structure. This structure is a new enhancement to the original playground design. New playground equipment was

installed in the toddler and youth playground areas. The entire project was completed in the fall of 2011. Residents were invited to a rededication and re-opening of Betty Russell Park which was held on April 24, 2012.

#### **Hunt Club Community Park**

This park was built to accommodate population growth west of I-94. The site includes a tot-lot, two playgrounds, 1-mile path, 10-acre woodland, four half-court basketball courts, fishing stations, two regulation size soccer fields, and one softball field. The Hunt Club Park Community Center and Aquatic Center are also part of this location. Hunt Club acreage is 45 acres.

#### **Viking Community Park**

Viking Park, known as the Gurnee Park District's flagship park, was the first development project for the Park District after its formation in 1968. This park boasts a tot lot, two playgrounds, four half-court basketball courts, one skate

park, soccer field complex, two tennis courts, a cricket pitch, 20x40 picnic shelter, three softball fields, volleyball court, circulation paths, two restroom facilities, band shell, summer kitchen, dance hall, records storage bungalow and community center. Viking Community Park has a total of 38.1 acres.

#### **O'Plaine Community Park**

O'Plaine Park, formerly known as Russell Community Park, was changed to O'Plaine Community Park on November 19, 1996 to avoid confusion with Betty Russell Community Park. Construction started in July 1990 and the park was dedicated on October 27, 1991.

The park has a community playground as well as a restroom/shelter facility, two ½ court basketball courts, and two Little League baseball fields. In 2013 the Park District acquired three additional acres at O'Plaine Community Park. This acquisition increases the park's visibility from O'Plaine and Russell Roads, adds additional passive

recreation space to the District's inventory and offers additional community space for gardening and other preservation efforts. In the summer of 2018 an outdoor pickleball complex was constructed at O'Plaine Park. Eight individual courts complete the complex, providing additional outdoor playing opportunities for residents as well as the ability for the Park District to host outdoor tournaments.

## MAJOR RECREATION FACILITIES

### Hunt Club Park Community Center

In 2005, the district constructed a 44,000 sq ft community center, which includes a 4,000 sq ft fitness center, three preschool rooms, a family activity room, dance studio, rock climbing wall, multi purpose room, gymnasium and offices for recreation staff. The center is utilized by our fitness members and offers programs for the community such as dance, open gym, group fitness, music, preschool, before and after school CARE, basketball, volleyball, arts and crafts etc.

### Hunt Club Park Aquatic Center

In 2001 the Hunt Club Park

Aquatic Center, a 1,500 bather load pool, was constructed. It opened to the public on Memorial Day weekend in 2002. The aquatic center is a zero depth edge pool that features three flume slides, two drop slides, water toy features, lap swim area, a tot pool area, a waterfall feature, sand volleyball court, a sand play area, turf sunning, a café, and ample shade amenities. There is also a spray ground area located just outside the entrance to the Aquatic Center. This project was financially supported by the Village of Gurnee, Gurnee Park District and the State of Illinois.

### Viking Park Community Center

The Viking Park Community Center is the original community center for Gurnee Park District. This facility includes one dance studio, three preschool rooms, registration offices, a dance hall and administrative offices. In 2000 an addition was constructed to expand the community center to include recreation programming space, new meeting rooms, three preschool rooms and additional offices. This center serves residents east of I-94.

### FitNation

The Gurnee Park District purchased the 75,000 square foot fitness center located just off Interstate 94 on October 15, 2013. The facility, formerly known as Gold's Gym, re-opened on November 6, 2013 as FitNation. The FitNation space encompasses an expansive fitness floor with cardio and weight lifting machines and equipment, a large gymnasium, five lane lap pool with hot tubs, several specialized group exercise studios, childcare room, and well appointed locker rooms with sauna and steam rooms. Programs include personal training, group exercise classes, aquatic classes and much more.

## NEIGHBORHOOD PARKS

The Park District offers over 80 acres of well-maintained neighborhood parks that contain playgrounds, tennis courts, outdoor basketball courts, soccer fields, baseball or softball fields, outdoor volleyball courts, three small skate parks, picnic shelters, a fishing area, and outdoor ice rinks.

## General Budget Review

Gurnee Park District's fiscal year 2021-2022 budget of \$13.4 million is prepared consistent with the Park District vision: *As a nationwide leader in our field, be the premier provider of community driven and innovative park and recreation experiences, while maintaining financial stability.* We are confident that this budget is the financial plan that will enable the Park District to proactively and successfully operate through the COVID-19 pandemic recovery as well as achieve the annual goals for the fiscal year.

The total budget of \$13.4 million is a 33.6% increase from 2020-21 fiscal year end projected results. While 2020-21 was entirely affected by the COVID-19 pandemic, management believes the recovery from COVID-19 will partially occur during 2021-22 and is poised to take a proactive operational approach during the recovery. Of the \$13.4 million proposed budget, \$1,365,100 is for capital projects and \$2,110,247 is for current debt service payments.

The proposed operating budget totals \$9,950,207 which is 46% higher than the current fiscal year end projected results.

The 2021/2022 budget as presented is a balanced budget. Total budgeted revenue including other financing sources for fiscal year 2021/2022 is \$13,103,796 and total budgeted expenditures are \$13,425,554. While at first glance the budget does not appear to be balanced, it is due to using accumulated fund balances for various capital projects. Under normal conditions, fund balances are not used to cover operational expenditures in any funds unless it is a planned action to use surplus fund balances in some of the small funds. In 2020-21 the planned action to use fund balance to support operations was due to the negative COVID-19 impact. The proposed 2021-22 budget does not include using fund balances to operations.

This is the twelfth consecutive year that the Gurnee Park District is seeking the Distinguished

Budget Presentation Award.

The Park District was awarded the GFOA Distinguished Budget Award for the eleven previous fiscal year budgets. In order to receive the budget award, the Park District has to satisfy nationally recognized guidelines for effective budget presentation. The guidelines assess how well the Park District's budget serves as a policy document, a financial plan, an operations guide, and a communications device. Budget documents must be rated "proficient" in all four categories, and the fourteen mandatory criteria within those categories, to receive the award. The GFOA's Distinguished Budget Presentation Awards Program is the only national awards program in governmental budgeting.

We believe our current budget is in conformance with program requirements and are officially submitting it to the GFOA to determine its eligibility for Distinguished Budget Presentation Award.

**Chart 2: Total revenue and expenditures**

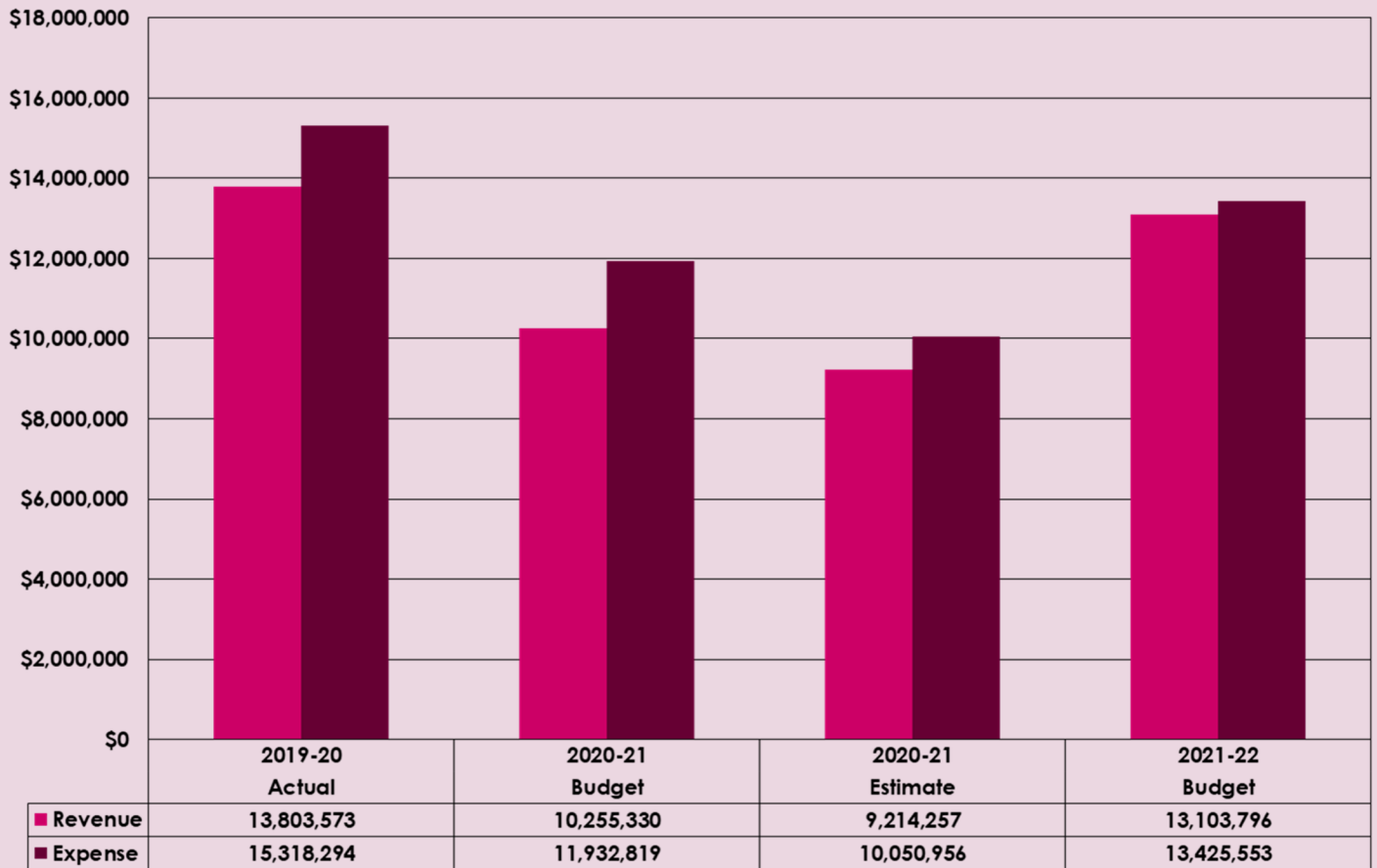


Chart 2 shows the revenues and expenditures for the total Park District operations. All amounts in the chart above and on page 30 exclude transfers between funds.

**Under normal conditions, The Park District does not rely on the use of fund balance or one time revenue items for operating purposes. Fund balance and one time revenue sources are used strictly for major capital projects and/or carry-over capital projects from the prior fiscal year.**

**Because of the COVID-19 pandemic negative impact on operations, the Fiscal Year 2020-21 budget in the Recreation Fund utilizes \$600,000 from prior year fund balances for operating purposes.**

# Budget Summary Report

## Fund Analysis as of March 31, 2021

**The Basis of Budgeting for all funds listed on page 33 is modified accrual. This is the same as the Park District's basis of accounting used in the District's audited financial statements. Under this modified accrual, revenues are budgeted when estimated to occur according to past history and normal scheduled events and calendars. Expenditures are appropriated when estimated to occur according to past history and program implementation. The Park District prepares a detail budget by month to the program expenditure line. In the modified accrual basis of accounting, revenues are recorded when available and measurable and expenditures are recorded when the liability is incurred.**

### **THE FOLLOWING FUNDS ARE CLASSIFIED AS MAJOR PARK DISTRICT FUNDS**

#### **Corporate Fund**

The Corporate Fund is used to account for the general operating activities of the Park District, which are not accounted for in any other fund. Taxes, which account for 99% of the revenue in the Corporate Fund, are budgeted at \$2,352,979 which is \$67,372 higher than last year's actual tax receipts. The total budgeted expenditures for the Corporate Fund are \$2,366,079, which is 7% higher than last year's budget and includes \$115,000 in capital

expenditures. Fiscal year 21/22 budget includes \$35,000 in anticipated continued unemployment costs to account for COVID-19 related layoffs. Total Park Management expenditures in the Corporate Fund of \$1,234,418 are budgeted to increase 15% compared to the 20/21 budget, but decrease 1% compared to 18/19 year end actuals, which is the last fiscal year not affected by the COVID-19 pandemic. This year no fund balance is budgeted to be transferred to the Capital Replacement / Development Fund, as the Park District is still anticipating recovery from the

COVID-19 pandemic during the fiscal year. The budgeted year end fund balance in this fund is \$740,968, which is \$203,036 above the fund balance target.

#### **Recreation Fund**

The Recreation Fund is used to account for the operations of recreation programs, fitness operations and aquatic center operations. Revenues are derived from specific annual property tax levy and fees charged for the programs, use of the fitness centers and aquatic center. The COVID-19 pandemic had the biggest affect on the Recreation Fund where programming is directly impacted. Management estimates just over \$6MM in lost revenue from March 2020 to April 30, 2021. The Leadership Team continues to work extremely hard to offer recreation programming and fitness opportunities to the residents and customers of the Gurnee Park District while safely operating within the guidelines of the State re-opening plan. Total budgeted expenditures in the



## Budget summary as of March 31, 2021

### GURNEE PARK DISTRICT

#### BUDGET SUMMARY

As of March 31, 2021

| Fund Description                  | Beginning                  | 2020-21                          | 2020-21                              | Projected Fund                              | 2021-2022                         | 2021-22                             | Projected Fund                           |
|-----------------------------------|----------------------------|----------------------------------|--------------------------------------|---|-----------------------------------|-------------------------------------|--|
|                                   | Fund Balance<br>05/1/2020* | Estimated<br>Revenues            | Estimated<br>Expenditures            | Balance<br>04/30/21                         | Budgeted<br>Revenues              | Budgeted<br>Expenditures            | Balance<br>04/30/22                      |
| Corporate                         | \$ 990,828                 | \$ 2,341,248                     | \$ 2,591,109                         | \$ 740,968                                  | \$ 2,366,079                      | \$ 2,366,079                        | \$ 740,968                               |
| Site & Construction               | 308,715                    | 932,703                          | 831,011                              | 410,406                                     | 927,300                           | 1,259,700                           | 78,006                                   |
| Capital Replacement / Development | 4,792,278                  | 12,572                           | 267,556                              | 4,537,293                                   | 413,000                           | 244,675                             | 4,705,618                                |
| Recreation                        | 2,084,217                  | 4,302,354                        | 4,411,154                            | 1,975,418                                   | 7,444,394                         | 7,444,393                           | 1,975,418                                |
| Audit                             | 9,857                      | 28,039                           | 29,691                               | 8,205                                       | 30,790                            | 30,660                              | 8,335                                    |
| Paving & Lighting                 | 16,115                     | 57,246                           | 48,000                               | 25,361                                      | 58,744                            | 63,400                              | 20,706                                   |
| Recreation for the Handicapped    | 148,978                    | 478,772                          | 398,861                              | 228,888                                     | 491,261                           | 463,221                             | 256,929                                  |
| Liability Insurance               | 88,955                     | 180,860                          | 201,712                              | 68,103                                      | 185,651                           | 180,566                             | 73,188                                   |
| IMRF                              | 124,456                    | 322,931                          | 296,218                              | 151,169                                     | 271,392                           | 324,000                             | 98,561                                   |
| Social Security                   | 106,197                    | 320,553                          | 227,683                              | 199,067                                     | 246,023                           | 330,000                             | 115,090                                  |
| Bond & Interest                   | 42,445                     | 1,035,471                        | 1,028,212                            | 49,703                                      | 1,052,162                         | 1,101,860                           | 6  |
| Debt Service (Aquatic Center)     | 518,242                    | 1,508                            | 519,750                              | -   | -                                 | -                                   | -  |
| <b>Total All Funds:</b>           | <b>\$ 9,231,281</b>        | <b>\$ 10,014,257</b>             | <b>\$ 10,850,956</b>                 | <b>\$ 8,394,582</b>                         | <b>\$ 13,486,796</b>              | <b>\$ 13,808,553</b>                | <b>\$ 8,072,824</b>                      |
| By Operational Area               |                            | 2020-21<br>Estimated<br>Revenues | 2020-21<br>Estimated<br>Expenditures | 2020-21<br>Estimated<br>Surplus (deficit)   | 2021-2022<br>Budgeted<br>Revenues | 2021-22<br>Budgeted<br>Expenditures | 2021-22<br>Budgeted<br>Surplus (Deficit) |
| General Operations <sup>1</sup>   |                            | \$ 5,233,131                     | \$ 5,008,761                         | \$ 224,370                                  | \$ 5,551,141                      | \$ 4,666,521                        | \$ 884,620                               |
| Parks Management <sup>2</sup>     |                            | -                                | 2,018,606                            | (2,018,606)                                 | -                                 | 2,331,532                           | (2,331,532)                              |
| Recreation <sup>3</sup>           |                            | 4,781,126                        | 3,823,589                            | 957,536                                     | 7,935,655                         | 6,810,499                           | 1,125,155                                |
| <b>Total All Areas:</b>           |                            | <b>\$ 10,014,257</b>             | <b>\$ 10,850,956</b>                 | <b>\$ (836,699)</b>                         | <b>\$ 13,486,796</b>              | <b>\$ 13,808,553</b>                | <b>\$ (321,758)</b>                      |
|                                   |                            |                                  |                                      | <b>Less: Interfund Transfers</b>            | <b>\$ (383,000)</b>               | <b>\$ (383,000)</b>                 |  |
|                                   |                            |                                  |                                      | <b>Revenue/Expenditures from Operations</b> | <b>\$ 13,103,796</b>              | <b>\$ 13,425,553</b>                |  |

\* Amounts for the Beginning Fund Balance 05/01/2020 are from the District's Audited FYE2020 Comprehensive Annual Financial Report.

General Operations<sup>1</sup> includes the Corporate Fund less Park Management expenditures, Site & Construction Fund, Capital Replacement / Development Fund, Audit Fund, Paving and Lighting Fund, Liability Insurance Fund, IMRF Fund, Social Security Fund, Bond & Interest Fund, and Debt Service (Aquatic Center) Fund. Park Management<sup>2</sup> includes expenditures from the Corporate Fund and Recreation Fund. Recreation<sup>3</sup> includes the Recreation Fund and Recreation for Handicapped Fund.

Recreation Fund are \$7,444,394 which is 42% more than the 20/21 budget, but 19% lower than the 18/19 budget. Total budgeted revenue in the Recreation Fund is \$7,444,394 which is budgeted to increase 73% compared to current fiscal year end projections, and is 89% of the total 2018-19 fiscal year revenue.

In the Recreation Fund, fees for services account for 80% of the total revenue. As part of the recovery from the COVID-19 pandemic, it is a goal of the Park District to achieve pre-pandemic (fiscal year 2018-19) fees and

charges revenue in fiscal year 2022-2023. Revenue from fees for services consists of recreation program revenue, fitness center operations and aquatic center operations. Recreation program revenue is budgeted to increase 184% compared to current fiscal year end projections, and is 80% of the total 2021-22 fiscal year recreation program revenue.

Fitness operations accounts for \$2.7 million in budgeted revenue for the Park District, which is more than double current fiscal year end projections which were dramatically affected by the

pandemic, and is 90% of the total 2018-19 fiscal year fitness operations revenue.

Revenue from aquatic center operations is budgeted at a 6% increase compared to the 2019 season, due to State of IL guidelines, the Aquatic Center did not open for the 2020 season. The budgeted revenue increase for the 2021 season is mainly due to a slight increase in daily fees.

Total Park Management expenditures in the Recreation Fund are budgeted 5% higher compared to the 2020/2021 budget, but decrease 8%

**Table 6: Program budget analysis**

| PROGRAM Area       | FISCAL YEAR 2020/2021 (PROJECTED) |                    |                    |            | FISCAL YEAR 2021/2022 (BUDGET) |                     |                     |            |
|--------------------|-----------------------------------|--------------------|--------------------|------------|--------------------------------|---------------------|---------------------|------------|
|                    | REV                               | EXP                | NET                | %          | REV                            | EXP                 | NET                 | %          |
| Athletics          | 101,783                           | 50,425             | 51,359             | 50%        | 256,010                        | 131,590             | 124,420             | 49%        |
| Gen Youth Rec      | 103,327                           | 51,920             | 51,407             | 50%        | 153,519                        | 107,151             | 46,368              | 30%        |
| CARE               | 250,994                           | 153,315            | 97,679             | 39%        | 523,584                        | 285,145             | 238,439             | 46%        |
| Pre School         | 196,577                           | 111,432            | 85,145             | 43%        | 447,471                        | 226,588             | 220,883             | 49%        |
| Day Camp           | 170,840                           | 170,813            | 27                 | 0%         | 969,049                        | 431,407             | 537,642             | 55%        |
| Adult Recreation   | (359)                             | 18                 | (376)              | 105%       | 11,460                         | 10,862              | 598                 | 5%         |
| Rentals            | (641)                             | 1,240              | (1,881)            | 294%       | 17,295                         | 14,122              | 3,173               | 18%        |
| Special Events     | 8,226                             | 7,916              | 310                | 4%         | 41,300                         | 42,077              | (777)               | -2%        |
| Aquatics           | 68,893                            | 65,865             | 3,029              | 4%         | 261,836                        | 196,391             | 65,446              | 25%        |
| <b>Total</b>       | <b>\$ 899,641</b>                 | <b>\$ 612,944</b>  | <b>\$ 286,698</b>  | <b>32%</b> | <b>\$2,681,525</b>             | <b>\$ 1,445,332</b> | <b>\$ 1,236,193</b> | <b>46%</b> |
| Fitness Center Ops | 1,186,415                         | 1,421,272          | (234,857)          | -20%       | 2,683,711                      | 2,683,711           | -                   | 0%         |
| HC Aquatic Center  | -                                 | 142,578            | (142,578)          | n/a        | 581,128                        | 581,128             | -                   | 0%         |
| <b>Grand Total</b> | <b>\$2,086,057</b>                | <b>\$2,176,794</b> | <b>\$ (90,738)</b> | <b>-4%</b> | <b>\$5,946,364</b>             | <b>\$ 4,710,171</b> | <b>\$ 1,236,193</b> | <b>21%</b> |

Table 6 compares 2021-22 budget and 2020-21 year-end projected Recreation Fund program area revenues and expenditures. The large variation represents the COVID-19 impact on 2020-21 operations and the anticipated recovery in 2021-22

compared to 2018/2019 year end actuals.

Included in the Recreation Fund's proposed budget under the fitness operations area is a \$233,000 transfer to the Capital Replacement / Development Fund for future FitNation debt payments. The transfer is reduced from the previous annual amount of \$358,000 because the first principal payment on the FitNation debt is due in 2021-2022 for \$125,000 and will be paid directly out of fitness operations. The FitNation debt schedule is set-up to have payment amounts increase later in the life of the bonds. Total debt service (including the remaining HCPCC debt that is paid out of fitness operations) amortized equally over the 23 year life of the bonds is around \$855,000 per year.

Also included in the Recreation Fund's proposed budget under the fitness operations area is a \$150,000 transfer to the Capital Replacement / Development Fund for future FitNation building capital needs.

The budgeted year end fund balance is \$1,975,418 which is

\$42,375 above the fund balance target.

### **Bond and Interest Fund**

This fund is used to accumulate monies for the Park District's retirement of general obligation bonded debt.

Financing is provided by an annual tax on property levied for the purpose of retiring bonded indebtedness.

The budgeted year end fund balance in this fund is \$6. There is no fund balance target in this fund.

### **Capital Replacement / Development Fund**

This Fund is used to replace aging capital items as well as for the development of new capital or infrastructure. Financing is provided by transfer of funds from the Corporate and Recreation Funds.

Due to the negative impact on operations of the COVID-19 pandemic in 2020-21 and the continued recovery in 2021-22, no transfers from the Corporate or Recreation Funds are budgeted into the Capital Replacement / Development

Fund. Management is confident all projects contained in the five year capital plan can be completed using existing capital fund balances as well as annual rollover bonds.

There are several capital project items included in the budget for this fund a list of which is included as Appendix A.

The proposed budgeted year end fund balance in this fund is \$4,705,618; \$2,204,575 is for regular capital projects (including HCPAC), \$225,065 is for future FitNation facility capital items, and \$2,275,978 is for future FitNation debt payments. There is no fund balance target in this fund.

### **THE FOLLOWING FUNDS ARE CLASSIFIED AS NON-MAJOR PARK DISTRICT FUNDS**

#### **Site and Construction Fund**

The Site and Construction Fund is used to account for capital expenditures associated with acquiring, improving, and maintaining the Park District's properties and equipment. Financing is provided from the proceeds of sale of general obligation bonds, developer

donations, grants and interest earned on investments. The budgeted year end fund balance in this fund is \$78,006. There is no fund balance target in this fund.

#### **Audit Fund**

This fund is used to account for revenues derived from a specific annual property tax levy for the purpose of an annual audit of the financial statements and accounting records of the Park District. The budgeted year end fund balance in this fund is \$8,335 which is \$670 above the fund balance target.

#### **Paving and Lighting**

This fund is used to account for revenues derived from a specific annual property tax levy for the purpose of making paving and lighting improvements throughout the Park District. The budgeted year end fund balance in this fund is \$20,706 which is \$11,456 above the fund balance target.

#### **Recreation for Handicapped Fund**

This fund is used to account for revenues derived from a specific annual property tax levy which is disbursed to the Warren Special

Recreation Association to provide special recreation programs for the handicapped and impaired. This fund is also used to make ADA improvements to the Park District's park infrastructure as well as provide inclusion services to program participants. The proposed budgeted year end fund balance in this fund is \$256,929. There is no fund balance target in this fund.

#### **Liability Insurance Fund**

This fund is used to account for revenues derived from a specific annual property tax levy to provide liability insurance for the Park District's operations. The budgeted year end fund balance in this fund is \$73,188 which is \$28,046 above the fund balance target.

#### **Illinois Municipal Retirement Fund**

This fund is used to account for revenues derived from a specific annual property tax levy for the purpose of providing employer contributions to the State regulated Illinois Municipal Retirement Fund. The budgeted year end fund balance in this fund is \$98,561 which is \$17,561

above the fund balance target.

#### **Social Security Fund**

This fund is used to account for revenues derived from a specific annual property tax levy for the purpose of meeting the costs associated with the participation in the "Social Security Act." The budgeted year end fund balance in this fund is \$115,090 which is \$32,590 above the fund balance target.

#### **Debt Service (Aquatic Center) Fund**

This fund was used to accumulate funds for the retirement of alternate revenue bonds issued for the construction of the Hunt Club Park Aquatic Center. Financing was provided by annual payments from the Village of Gurnee and the Park District's annual rollover bonds. In FY 2020/2021, the Park District made the final debt service payment on the Hunt Club Park Aquatic Center. At the end of 20/21 all dollars have been spent out of this fund leaving no remaining fund balance. The Fund will be closed by Board action following the 2020-21 financial audit.

**Chart 3: Total park district revenue (excluding transfers)**

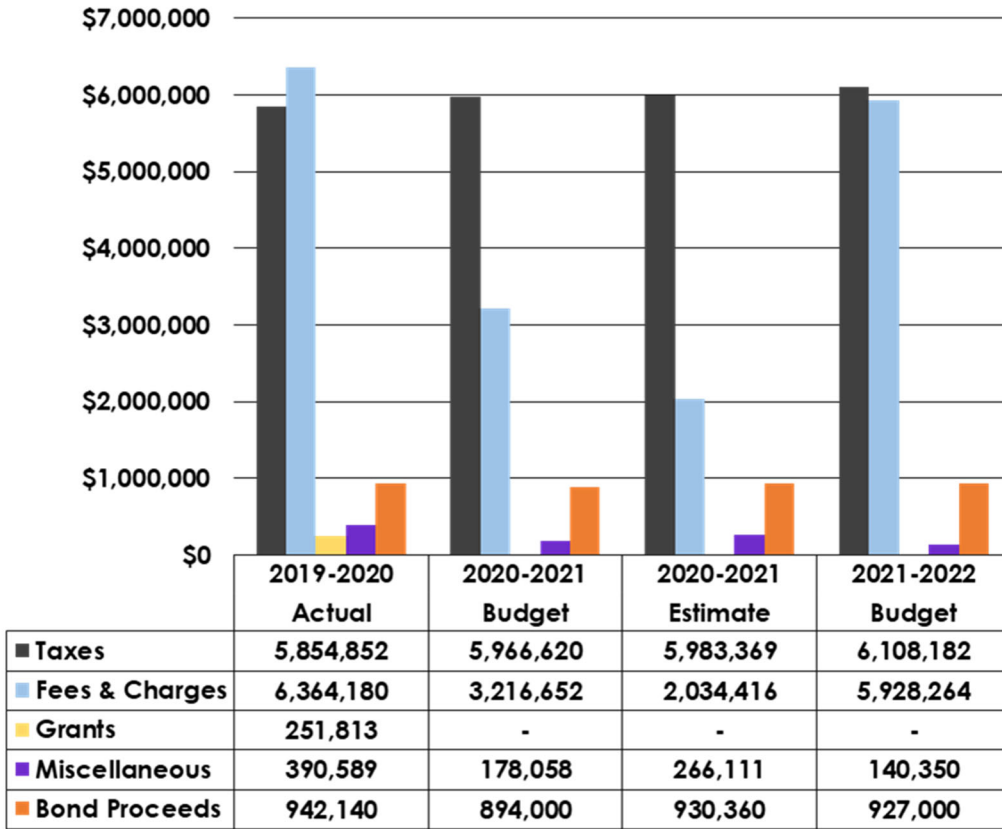


Chart 3 illustrates total revenue by major category for 2019-20, the budget and estimated revenue for 2020-21 and the budgeted revenue for 2021-22, all of which exclude fund transfers.

**OPERATIONAL AREAS:**

The lower portion of the Budget Summary Report on page 33 is the individual Operational Areas estimated and budgeted revenues, expenditures, and surplus or deficit. The fund balances are directly related to the results of the operational area. The beginning fund balance for all funds, plus or minus the surplus or deficit, will result in the ending fund balance for all funds. Real estate taxes are collected in the General Operations and Recreation

areas. Most capital improvement costs are expensed in the General Operations area with the exception of those directly attributable to the Recreation area. The Park District does not budget revenue directly to the Parks Management Operational area.

Overall budget deficit in 2021-22 is due to using accumulated fund balances for various capital projects. With the exception of fiscal year 2020-21, fund balances are not used to cover

operational expenditures in any funds unless it is a planned action to use surplus fund balances in some of the small funds. In 2020-21 the planned action to use fund balance to support operations was specifically due to the negative COVID-19 impact. The proposed 2021-22 budget does not include using fund balances to support operational expenditures.

## MAJOR REVENUE SOURCES

### Tax Revenue

Tax revenue, consisting of property tax levy and business replacement tax, accounts for 47% of the total park district revenue. The total District property tax levy includes the Corporate Fund, Recreation Fund, Audit Fund, Paving and Lighting Fund, Recreation for Handicapped Fund, Illinois Municipal Retirement Fund, Liability Insurance Fund, Social Security Fund, and the Bond and Interest Fund. Total tax revenue is budgeted to increase 2% in 2021-22 compared to 2020-21 total tax revenue which reflects the increase in CPI. Population growth in the Park District has remained relatively flat over the last several years. Because of this, the Park District expects a trend of very modest growth in property tax revenue over the next several fiscal years.

### Fees and Charges

Revenue from fees and charges for services consists of recreation program revenue, fitness center operations revenue and aquatic center operations revenue.

Under normal circumstances Fees and charges account for over 50% of the budgeted total park district revenue. In 2020-21, based on reduced program offerings due to the COVID-19 pandemic, fees and charges accounts for 22% of total projected year-end revenue. With the expected pandemic recovery underway, fees and charges are budgeted to account for 45% of total revenue in 2021-22. Fees and charges for services revenue is budgeted to increase 191% compared to 2020-21 year end estimates, however is budgeted at 81% of 2018-19 year end actual revenue which was the last fiscal year not affect by the COVID-19 pandemic.

Fitness operations accounts for \$2.7 million in budgeted revenue for the Park District, which is more than double current fiscal year end projections which were dramatically affected by the pandemic, and is 90% of the total 2018-19 fiscal year fitness operations revenue.

Revenue from aquatic center operations is budgeted at a 6% increase compared to the 2019

season (the aquatic center was closed in 2020). The budgeted revenue increase for the 2021 season is mainly due to a slight increase in daily fees.

### Other Sources

Other revenue sources are mainly through interest income and reimbursement for services performed by the Parks Team. Miscellaneous revenue in 2020-21 includes over \$114,000 in CARES Act proceeds from the Federal Government. Interest income has been budgeted conservatively based on the COVID-19 impact on rates.

## TOTAL PARK DISTRICT EXPENDITURES

The chart on the following page illustrates total expenditures by major category for 2019-20 through 2021-22, excluding transfers. Total Park District expenditures budgeted at \$13,425,553 for 2021-22 represents a 34% increase compared to 2020-21 year-end projections and 6.8% lower than fiscal year 2018-19 representing pre-COVID expenditure levels.

**Chart 4: Total park district expenditures (excluding transfers)**

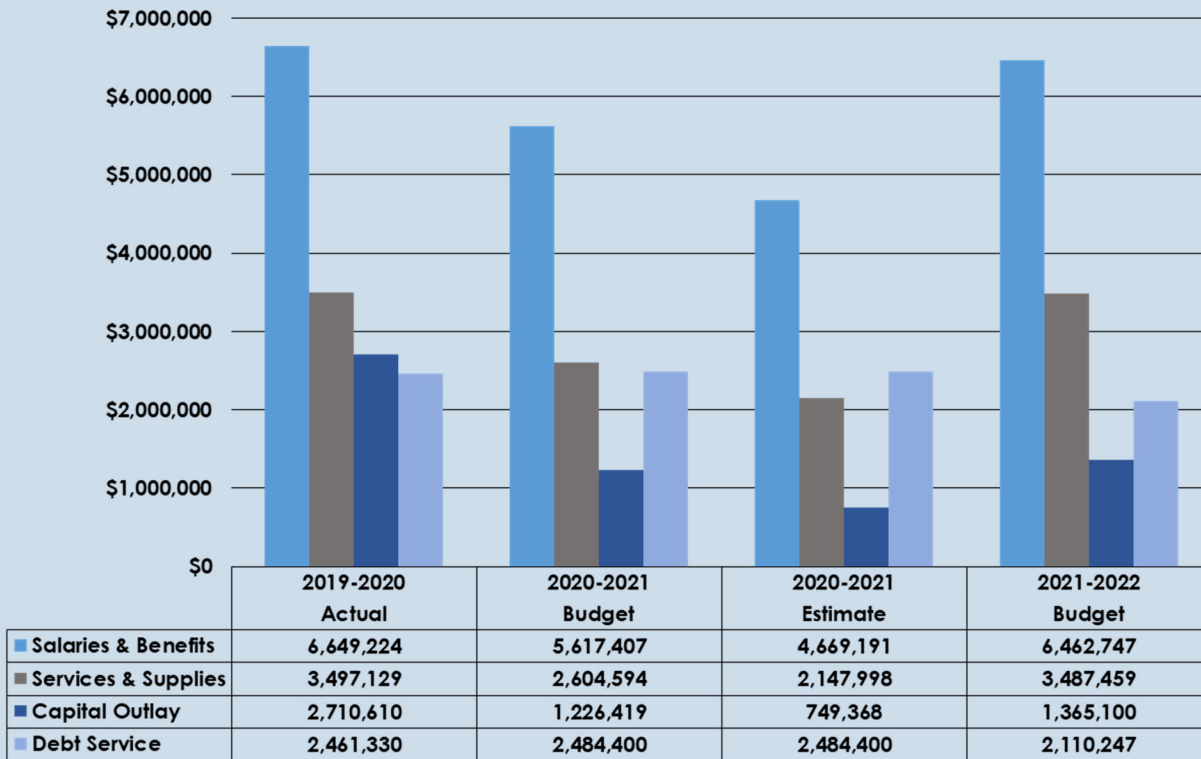


Chart 4 illustrates total expenditures by major category for 2019-20, the budget and estimated expenditures for 2020-21 and the budgeted expenditures for 2021-22, all of which exclude transfers.

**Salaries & Benefits**

The increase in Salaries and Benefits includes a 3% increase in salary & wages which will be distributed strictly based on merit. The 38% budgeted increase in Salaries & Benefits compared to 2020-21 year-end estimates is mainly due to the COVID-19 pandemic recovery giving the Park District the ability to offer more programming. For example, it is planned for the Hunt Club Park Aquatic Center to be open in 2021 as well as the

District's successful day camp program is expected to return closer to more normal participation levels.

**Services & Supplies**

The increase in Services and Supplies is also to account for program participation reflecting recovery from the COVID-19 pandemic.

**Capital Outlay**

The 2021-22 budget includes several capital projects detailed in Appendix A.

**Debt Service**

Debt service payments are funded through the Park District's annual debt service property tax levy, the Park District's annual rollover bond, and fitness operations revenue. The debt service payments for FitNation due in fiscal year 2021-2022 are budgeted to be paid entirely from FitNation operating revenue. The decrease in budgeted debt service is due to the aquatic center bonds being fully paid as of April 30, 2021.

## Combined Statement of Revenues, Expenditures and Changes in Fund Balance

The Combined Statement of Revenues, Expenditures and Changes in Fund Balance presents primary revenue and expenditure categories by major and non-major funds and three years of information. The 2019-20 actual amounts are audited figures. A surplus or deficit for each fund is calculated and the resulting fund balance is presented.

One main financial goal for the Park District was to remain above our fund balance target levels in our two main operating funds, Corporate and Recreation. Recent 2020-21 year end projections show that this goal will be accomplished. This puts the District in as positive a position as possible as we anticipate the pandemic recovery and begin to re-grow the financial levels of the Park District.

Total projected fund balance for all funds at the end of 2021-22 is \$8,072,824.

### CORPORATE FUND

The Corporate Fund is used to

account for the general operating activities of the Park District, which are not accounted for in any other fund. Total revenues are projected to increase slightly from 2019-20 to 2020-21 and increase slightly again in 2021-22. The increase in 2021-22 is due to an increase in property tax levy offset by lower expected miscellaneous revenue which in 2020-21 included CARES Act proceeds. The primary revenue source for this fund is taxes (property and replacement) which account for 99% of the revenue in the Fund. Very modest growth is expected in tax revenue for the next several years as illustrated by the chart. Expenditures in this fund are projected to increase over the three year period to \$2,366,079 from \$2,012,712. The budgeted fund balance at year end 2021-22 is \$740,968 which is \$203,036 above the fund balance target. No fund balance transfer is budgeted to the Capital Replacement/Development Fund as the Park District is still in recovery from the

COVID-19 pandemic.

### RECREATION FUND

The Recreation Fund is used to account for the operations of recreation programs, fitness operations and aquatic center operations. Revenues are derived from specific annual property tax levy and fees charged for the programs, use of the fitness centers and aquatic center. The primary revenue source for this fund is fees and charges. Traditionally in the Recreation Fund, fees for services account for 85% of the total revenue. Due to the COVID-19 recovery, the budget reflects 80% fees for services revenue. Other budgeted revenues include property and replacement taxes (19%), interest on investments and miscellaneous revenues (1%). During this current fiscal year, fees & charges revenue fell to 28% of pre-COVID revenue. The 2021-2022 budget calls for recreation programming revenue to reach 81% of 2018-19 revenue (pre-COVID) and put the District well on the way to



achieving pre-COVID level revenue by the end of fiscal year 2022-23.

The budgeted fund balance at year end 2021-22 is \$1,975,418 which is \$42,375 above the fund balance target. No fund balance transfer is budgeted to the Capital Replacement/ Development Fund as the Park District is still in recovery from the COVID-19 pandemic.

**BOND AND INTEREST**

This fund is used to accumulate monies for the Park District's retirement of general obligation bonded debt. Financing is provided by an annual tax on property levied specifically for the purpose of retiring bonded indebtedness. The budgeted fund balance at year end 2021-22 is \$6.

**CAPITAL REPLACEMENT / DEVELOPMENT FUND**

The Capital Replacement and Development fund is used to accumulate funds for the replacement and development of capital assets and infrastructure. Financing is provided by transfer of funds from the Corporate and Recreation

funds as well as interest income. As the Park District recovers from the negative impact of COVID-19 on District operations, no fund balance transfer is budgeted in 2021-22. \$30,000 is budgeted from interest on investments. The budgeted fund balance at year end 2021-22 is \$4,705,618; \$2,204,575 is for regular capital projects (including HCPAC), \$225,065 is for future FitNation facility capital items, and \$2,275,978 is for future FitNation debt payments.

**NONMAJOR GOVERNMENTAL FUNDS**

The remaining funds are grouped together as they are nonmajor funds. They consist of the Site and Construction Fund, Audit Fund, Paving and Lighting Fund, Recreation for the Handicapped Fund, Liability Insurance Fund, Illinois Municipal Retirement Fund, Social Security Fund, and the Debt Service (Aquatic Center) Fund. The primary revenue sources for these funds are taxes, bond proceeds and interest income. These funds account for \$650,814 of the Park District's total budgeted fund balance.

**TOTAL GOVERNMENTAL FUNDS**

The Park District operates under a conservative financial approach. Under normal circumstances, surplus operating budgets, program fees and taxes that exceed general operating expenses are proposed each year. The 2021-22 budget reflects the Park District recovery from the negative COVID-19 pandemic impact on operations. Excluding capital expenditures and debt service expenditures as well as bond proceeds and grants, the District would be budgeting a \$2.23 million surplus for 2021-22, compared to a projected \$1 million surplus in 2020-21. This reflects the Board of Commissioners' desire to operate and maintain the Park District in a positive position so that it has the capacity to improve existing and develop new recreational opportunities for residents.

The Budget Summary Report on page 33 balances to the Combined Statement of Revenues, Expenditures and Changes in Fund Balance on pages 42 - 47.

*(Article continues on page 48)*

**GURNEE PARK DISTRICT****Combined Statement of Revenues, Expenditures and Changes in Fund Balance**

Major and Nonmajor Funds

2019-2022 Summary

|                                  | Major<br>Corporate Fund |                     |                   |
|----------------------------------|-------------------------|---------------------|-------------------|
|                                  | 2019-20<br>Actual       | 2020-21<br>Estimate | 2021-22<br>Budget |
| Revenues                         |                         |                     |                   |
| Taxes                            | \$ 2,272,457            | \$ 2,285,607        | \$ 2,352,979      |
| Fees & Charges                   | -                       | -                   | -                 |
| Grants / Intergovernmental       | -                       | -                   | -                 |
| Investment Income                | 26,156                  | 2,304               | 4,000             |
| Donations and Miscellaneous      | 10,765                  | 53,337              | 9,100             |
| Total Revenues                   | \$ 2,309,377            | \$ 2,341,248        | \$ 2,366,079      |
| Expenditures                     |                         |                     |                   |
| Salaries and Benefits            | \$ 1,416,165            | \$ 1,330,119        | \$ 1,548,147      |
| Contractual Services             | 225,687                 | 187,483             | 337,762           |
| Supplies                         | 181,042                 | 154,101             | 198,100           |
| Intergovernmental - WSRA         | -                       | -                   | -                 |
| Capital Outlay                   | 40,353                  | 20,000              | 115,000           |
| Debt Service                     | -                       | -                   | -                 |
| Other                            | 149,465                 | 99,405              | 167,070           |
| Total Expenditures               | \$ 2,012,712            | \$ 1,791,109        | \$ 2,366,079      |
| Surplus (Deficit)                | \$ 296,665              | \$ 550,140          | \$ 0              |
| Other Sources (Uses)             |                         |                     |                   |
| Bond Proceeds                    | \$ -                    | \$ -                | \$ -              |
| Transfers Between Funds In (Out) | -                       | (800,000)           | -                 |
| Total Other Sources (Uses)       | -                       | (800,000)           | -                 |
| Net Surplus (Deficit)            | \$ 296,665              | \$ (249,860)        | \$ 0              |
| Fund Balance                     |                         |                     |                   |
| May 1                            | \$ 694,163              | \$ 990,828          | \$ 740,968        |
| April 30                         | \$ 990,828              | \$ 740,968          | \$ 740,968        |

**GURNEE PARK DISTRICT**

**Combined Statement of Revenues, Expenditures and Changes in Fund Balance**

Major and Nonmajor Funds

2019-2022 Summary

|                                   | Major<br>Recreation Fund |                     |                     |
|-----------------------------------|--------------------------|---------------------|---------------------|
|                                   | 2019-20<br>Actual        | 2020-21<br>Estimate | 2021-22<br>Budget   |
| <b>Revenues</b>                   |                          |                     |                     |
| Taxes                             | \$ 1,212,629             | \$ 1,276,566        | \$ 1,422,150        |
| Fees & Charges                    | 6,364,180                | 2,034,416           | 5,928,264           |
| Grants / Intergovernmental        | -                        | -                   | -                   |
| Investment Income                 | 80,030                   | 6,302               | 10,000              |
| Donations and Miscellaneous       | 97,344                   | 185,070             | 83,980              |
| <b>Total Revenues</b>             | <b>\$ 7,754,183</b>      | <b>\$ 3,502,354</b> | <b>\$ 7,444,394</b> |
| <b>Expenditures</b>               |                          |                     |                     |
| Salaries and Benefits             | \$ 4,612,081             | \$ 2,805,526        | \$ 4,250,550        |
| Contractual Services              | 1,189,315                | 661,415             | 1,071,494           |
| Supplies                          | 577,790                  | 265,230             | 610,349             |
| Intergovernmental - WSRA          | -                        | -                   | -                   |
| Capital Outlay                    | 70,149                   | 18,800              | 105,275             |
| Debt Service                      | 497,438                  | 497,438             | 572,438             |
| Other                             | 488,240                  | 162,746             | 451,287             |
| <b>Total Expenditures</b>         | <b>\$ 7,435,012</b>      | <b>\$ 4,411,154</b> | <b>\$ 7,061,393</b> |
| <b>Surplus (Deficit)</b>          | <b>\$ 319,171</b>        | <b>\$ (908,800)</b> | <b>\$ 383,000</b>   |
| <b>Other Sources (Uses)</b>       |                          |                     |                     |
| Bond Proceeds                     | \$ -                     | \$ -                | \$ -                |
| Transfers Between Funds In (Out)  | (358,000)                | 800,000             | (383,000)           |
| <b>Total Other Sources (Uses)</b> | <b>(358,000)</b>         | <b>800,000</b>      | <b>(383,000)</b>    |
| <b>Net Surplus (Deficit)</b>      | <b>\$ (38,829)</b>       | <b>\$ (108,800)</b> | <b>\$ 0</b>         |
| <b>Fund Balance</b>               |                          |                     |                     |
| May 1                             | \$ 2,123,047             | \$ 2,084,217        | \$ 1,975,418        |
| April 30                          | \$ 2,084,217             | \$ 1,975,418        | \$ 1,975,418        |

**GURNEE PARK DISTRICT****Combined Statement of Revenues, Expenditures and Changes in Fund Balance**

Major and Nonmajor Funds

2019-2022 Summary

|                                  | Major<br>Bond and Interest Fund |                     |                   |
|----------------------------------|---------------------------------|---------------------|-------------------|
|                                  | 2019-20<br>Actual               | 2020-21<br>Estimate | 2021-22<br>Budget |
| Revenues                         |                                 |                     |                   |
| Taxes                            | \$ 1,017,597                    | \$ 1,035,346        | \$ 1,051,862      |
| Fees & Charges                   | -                               | -                   | -                 |
| Grants / Intergovernmental       | -                               | -                   | -                 |
| Investment Income                | 6,667                           | 125                 | 300               |
| Donations and Miscellaneous      | -                               | -                   | -                 |
| Total Revenues                   | \$ 1,024,264                    | \$ 1,035,471        | \$ 1,052,162      |
| Expenditures                     |                                 |                     |                   |
| Salaries and Benefits            | \$ -                            | \$ -                | \$ -              |
| Contractual Services             | -                               | -                   | -                 |
| Supplies                         | -                               | -                   | -                 |
| Intergovernmental - WSRA         | -                               | -                   | -                 |
| Capital Outlay                   | -                               | -                   | -                 |
| Debt Service                     | 1,009,042                       | 1,028,212           | 1,101,860         |
| Other                            | -                               | -                   | -                 |
| Total Expenditures               | \$ 1,009,042                    | \$ 1,028,212        | \$ 1,101,860      |
| Surplus (Deficit)                | \$ 15,222                       | \$ 7,259            | \$ (49,697)       |
| Other Sources (Uses)             |                                 |                     |                   |
| Bond Proceeds                    | \$ -                            | \$ -                | \$ -              |
| Transfers Between Funds In (Out) | -                               | -                   | -                 |
| Total Other Sources (Uses)       | -                               | -                   | -                 |
| Net Surplus (Deficit)            | \$ 15,222                       | \$ 7,259            | \$ (49,697)       |
| Fund Balance                     |                                 |                     |                   |
| May 1                            | \$ 27,223                       | \$ 42,445           | \$ 49,703         |
| April 30                         | \$ 42,445                       | \$ 49,703           | \$ 6              |

**GURNEE PARK DISTRICT**

**Combined Statement of Revenues, Expenditures and Changes in Fund Balance**

Major and Nonmajor Funds

2019-2022 Summary

|                                   | Major<br>Capital Replacement / Development Fund |                     |                     |
|-----------------------------------|---|---------------------|---------------------|
|                                   | 2019-20<br>Actual                               | 2020-21<br>Estimate | 2021-22<br>Budget   |
| <b>Revenues</b>                   |   |                     |                     |
| Taxes                             | \$ -  | \$ -                | \$ -                |
| Fees & Charges                    | -   | -                   | -                   |
| Grants / Intergovernmental        | -   | -                   | -                   |
| Investment Income                 | 100,287   | 12,572              | 30,000              |
| Donations and Miscellaneous       | -   | -                   | -                   |
| <b>Total Revenues</b>             | <b>\$ 100,287</b>                               | <b>\$ 12,572</b>    | <b>\$ 30,000</b>    |
| <b>Expenditures</b>               |   |                     |                     |
| Salaries and Benefits             | \$ -  | \$ -                | \$ -                |
| Contractual Services              | -   | -                   | -                   |
| Supplies                          | -   | -                   | -                   |
| Intergovernmental - WSRA          | -   | -                   | -                   |
| Capital Outlay                    | 687,271   | 267,556             | 244,675             |
| Debt Service                      | -   | -                   | -                   |
| Other                             | -   | -                   | -                   |
| <b>Total Expenditures</b>         | <b>\$ 687,271</b>                               | <b>\$ 267,556</b>   | <b>\$ 244,675</b>   |
| <b>Surplus (Deficit)</b>          | <b>\$ (586,984)</b>                             | <b>\$ (254,985)</b> | <b>\$ (214,675)</b> |
| <b>Other Sources (Uses)</b>       |   |                     |                     |
| Bond Proceeds                     | \$ -  | \$ -                | \$ -                |
| Transfers Between Funds In (Out)  | 358,000   | -                   | 383,000             |
| <b>Total Other Sources (Uses)</b> | <b>358,000</b>                                  | <b>-</b>            | <b>383,000</b>      |
| <b>Net Surplus (Deficit)</b>      | <b>\$ (228,984)</b>                             | <b>\$ (254,985)</b> | <b>\$ 168,325</b>   |
| <b>Fund Balance</b>               |   |                     |                     |
| May 1                             | \$ 5,021,262                                    | \$ 4,792,278        | \$ 4,537,293        |
| April 30                          | \$ 4,792,278                                    | \$ 4,537,293        | \$ 4,705,618        |

**GURNEE PARK DISTRICT**

**Combined Statement of Revenues, Expenditures and Changes in Fund Balance**

Major and Nonmajor Funds

2019-2022 Summary

|                                   | Nonmajor<br>Governmental Funds * |                       |                       |
|-----------------------------------|----------------------------------|-----------------------|-----------------------|
|                                   | 2019-20<br>Actual                | 2020-21<br>Estimate   | 2021-22<br>Budget     |
| <b>Revenues</b>                   |                                  |                       |                       |
| Taxes                             | \$ 1,352,169                     | \$ 1,385,850          | \$ 1,281,191          |
| Fees & Charges                    | -                                | -                     | -                     |
| Grants / Intergovernmental        | 251,813                          | -                     | -                     |
| Investment Income                 | 42,321                           | 2,793                 | 1,470                 |
| Donations and Miscellaneous       | 27,020                           | 3,610                 | 1,500                 |
| <b>Total Revenues</b>             | <b>\$ 1,673,322</b>              | <b>\$ 1,392,252</b>   | <b>\$ 1,284,161</b>   |
| <b>Expenditures</b>               |                                  |                       |                       |
| Salaries and Benefits             | \$ 620,979                       | \$ 533,546            | \$ 664,050            |
| Contractual Services              | 279,146                          | 258,757               | 238,176               |
| Supplies                          | -                                | -                     | -                     |
| Intergovernmental - WSRA          | 406,444                          | 358,861               | 413,221               |
| Capital Outlay                    | 1,912,837                        | 443,011               | 900,150               |
| Debt Service                      | 954,850                          | 958,750               | 435,950               |
| Other                             | -                                | -                     | -                     |
| <b>Total Expenditures</b>         | <b>\$ 4,174,256</b>              | <b>\$ 2,552,925</b>   | <b>\$ 2,651,546</b>   |
| <b>Surplus (Deficit)</b>          | <b>\$ (2,500,934)</b>            | <b>\$ (1,160,673)</b> | <b>\$ (1,367,386)</b> |
| <b>Other Sources (Uses)</b>       |                                  |                       |                       |
| Bond Proceeds                     | \$ 942,140                       | \$ 930,360            | \$ 927,000            |
| Transfers Between Funds In (Out)  | -                                | -                     | -                     |
| <b>Total Other Sources (Uses)</b> | <b>942,140</b>                   | <b>930,360</b>        | <b>927,000</b>        |
| <b>Net Surplus (Deficit)</b>      | <b>\$ (1,558,794)</b>            | <b>\$ (230,313)</b>   | <b>\$ (440,386)</b>   |
| <b>Fund Balance</b>               |                                  |                       |                       |
| May 1                             | \$ 2,880,307                     | \$ 1,321,513          | \$ 1,091,200          |
| April 30                          | \$ 1,321,513                     | \$ 1,091,200          | \$ 650,814            |

\* The following funds are classified as Nonmajor Governmental Funds: Site and Construction, Audit, Paving and Lighting, Recreation for Handicapped, Liability Insurance, Illinois Municipal Retirement, Social Security, and Debt Service (Aquatic Center).

**GURNEE PARK DISTRICT**

**Combined Statement of Revenues, Expenditures and Changes in Fund Balance**

Major and Nonmajor Funds

2019-2022 Summary

|                                   | Total Governmental Funds |                       |                       |
|-----------------------------------|--------------------------|-----------------------|-----------------------|
|                                   | 2019-20<br>Actual        | 2020-21<br>Estimate   | 2021-22<br>Budget     |
| <b>Revenues</b>                   |                          |                       |                       |
| Taxes                             | \$ 5,854,852             | \$ 5,983,369          | \$ 6,108,182          |
| Fees & Charges                    | 6,364,180                | 2,034,416             | 5,928,264             |
| Grants / Intergovernmental        | 251,813                  | -                     | -                     |
| Investment Income                 | 255,460                  | 24,095                | 45,770                |
| Donations and Miscellaneous       | 135,129                  | 242,016               | 94,580                |
| <b>Total Revenues</b>             | <b>\$ 12,861,433</b>     | <b>\$ 8,283,897</b>   | <b>\$ 12,176,796</b>  |
| <b>Expenditures</b>               |                          |                       |                       |
| Salaries and Benefits             | \$ 6,649,224             | \$ 4,669,191          | \$ 6,462,747          |
| Contractual Services              | 1,694,148                | 1,107,655             | 1,647,432             |
| Supplies                          | 758,832                  | 419,332               | 808,449               |
| Intergovernmental - WSRA          | 406,444                  | 358,861               | 413,221               |
| Capital Outlay                    | 2,710,610                | 749,368               | 1,365,100             |
| Debt Service                      | 2,461,330                | 2,484,400             | 2,110,247             |
| Other                             | 637,705                  | 262,151               | 618,357               |
| <b>Total Expenditures</b>         | <b>\$ 15,318,294</b>     | <b>\$ 10,050,956</b>  | <b>\$ 13,425,553</b>  |
| <b>Surplus (Deficit)</b>          | <b>\$ (2,456,860)</b>    | <b>\$ (1,767,059)</b> | <b>\$ (1,248,758)</b> |
| <b>Other Sources (Uses)</b>       |                          |                       |                       |
| Bond Proceeds                     | \$ 942,140               | \$ 930,360            | \$ 927,000            |
| Transfers Between Funds In (Out)  | -                        | -                     | -                     |
| <b>Total Other Sources (Uses)</b> | <b>942,140</b>           | <b>930,360</b>        | <b>927,000</b>        |
| <b>Net Surplus (Deficit)</b>      | <b>\$ (1,514,720)</b>    | <b>\$ (836,699)</b>   | <b>\$ (321,758)</b>   |
| <b>Fund Balance</b>               |                          |                       |                       |
| May 1                             | \$ 10,746,001            | \$ 9,231,281          | \$ 8,394,582          |
| April 30                          | \$ 9,231,281             | \$ 8,394,582          | \$ 8,072,824          |

## COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

Fees and charges, property taxes and interest income / miscellaneous money provide funding for the recreation services provided by the Park District.

Expenditure appropriations are developed from both trends and the operation of facilities under optimal weather conditions, particularly camps, the aquatic center, and other outdoor programming. This generally results in appropriated expenditures that are higher than actual level of expenditures for staffing and materials.

### DEFINITION OF FUND BALANCE

Fund Balance is the difference between assets/deferred outflows and liabilities/deferred inflows in a governmental fund. The governmental funds account for the primary, typically tax-supported activities of a government.

All Park District funds are classified as governmental funds and include:

**The Corporate Fund** - where a government accounts for general corporate expenditures not reported in another fund.

**Special Revenue Funds** - includes

the Recreation Fund, for reporting revenue sources that are limited to being used for a particular purpose.

**Debt Service Fund** - accounts for the retirement of debt.

**Capital Project Fund** - tracks the accumulation and use of resources for constructing, acquiring and rehabilitating capital assets, such as buildings and recreation facilities.

Fund balance is required to be reported in five components; nonspendable, restricted, committed, assigned, and unassigned.

**Nonspendable fund balance** - is not available to be spent, either in the short-term or long-term, or through legal restrictions (e.g., inventories, prepaid items, land held for resale and endowments).

**Restricted fund balance** - is subject to external enforceable legal restrictions (e.g., grantor, contributor and property tax levies).

**Committed fund balance** - has self-imposed constraints or limitations that have been placed at the highest level of

decision making through formal Board action. The same action is required to remove the commitment of fund balance.

**Assigned fund balance** - denotes an intended use of resources but with no formal Board action.

**Unassigned fund balance** - is available expendable financial resources in the General Fund that is not the object of tentative management plan.



**Chart 5: Operational Revenue and Program Expenditure (Annual Budget 2021-22)**

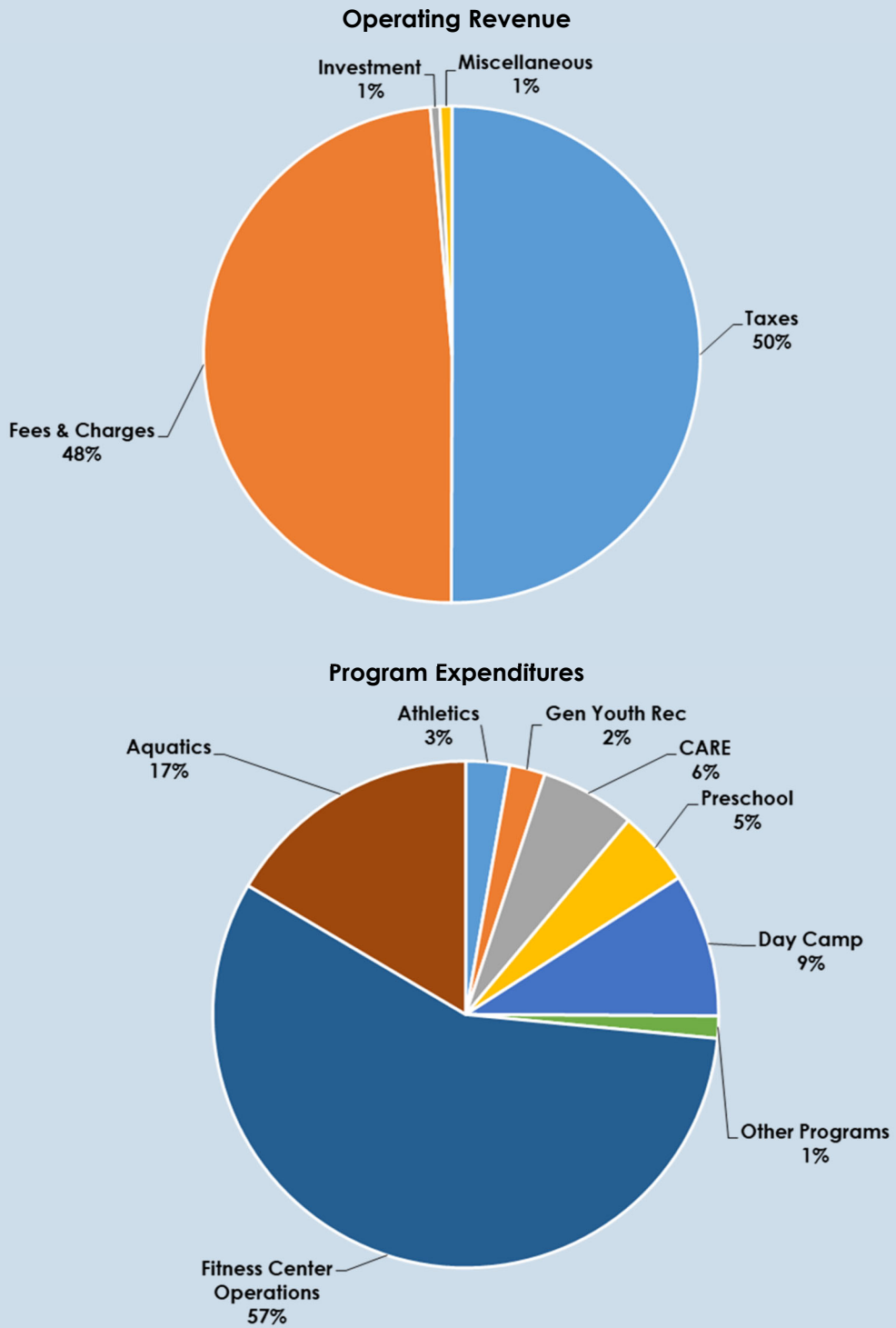


Chart 5 shows the revenue from operations excluding bond proceeds and intergovernmental sources. Operating revenues are obtained primarily through taxes, fees and charges, and investments. Program Expenditures are shown by major category.

## FUND BALANCE COMPARISON - 10 YEARS ALL FUNDS

The tables on this page and the following page show a 10 year fund balance history for the Park District. The complete Park District fund balance policy is included in this document under Appendix E.

| FUND                          | FY 21/22<br>(Budget) | Fund Balance<br>Target Amount | Excess<br>(Deficiency) | Explanation of Target<br>Amount |
|-------------------------------|----------------------|-------------------------------|------------------------|---------------------------------|
| CORPORATE                     | 740,968              | 537,932                       | 203,036                | 25% of operating expenditures   |
| SITE & CONST (Dev donation)   | 74,245               | -                             | 74,245                 | no specified amount             |
| SITE & CONST (bonds)          | 3,762                | -                             | 3,762                  | no specified amount             |
| CAPITAL REPL / DEVL           | 4,705,618            | -                             | 4,705,618              | no specified amount             |
| RECREATION                    | 1,975,418            | 1,933,044                     | 42,375                 | 25% of operating expenditures   |
| HUNT CLUB PARK AQUATIC CENTER | -                    | -                             | -                      |                                 |
| AUDIT                         | 8,335                | 7,665                         | 670                    | 25% of operating expenditures   |
| PAVING & LIGHTING             | 20,706               | 9,250                         | 11,456                 | 25% of operating expenditures   |
| REC FOR HANDICAPPED           | 256,929              | -                             | 256,929                | no specified amount             |
| LIABILITY INSURANCE           | 73,188               | 45,141                        | 28,046                 | 25% of operating expenditures   |
| IMRF                          | 98,561               | 81,000                        | 17,561                 | 25% of operating expenditures   |
| SOCIAL SECURITY               | 115,090              | 82,500                        | 32,590                 | 25% of operating expenditures   |
| BOND & INTEREST               | 6                    | -                             | 6                      | no specified amount             |
| DEBT SERVICE (Aquatic Center) | -                    | -                             | -                      |                                 |
| <b>TOTAL</b>                  | <b>\$ 8,072,824</b>  | <b>\$ 2,696,532</b>           | <b>\$ 5,376,292</b>    |                                 |

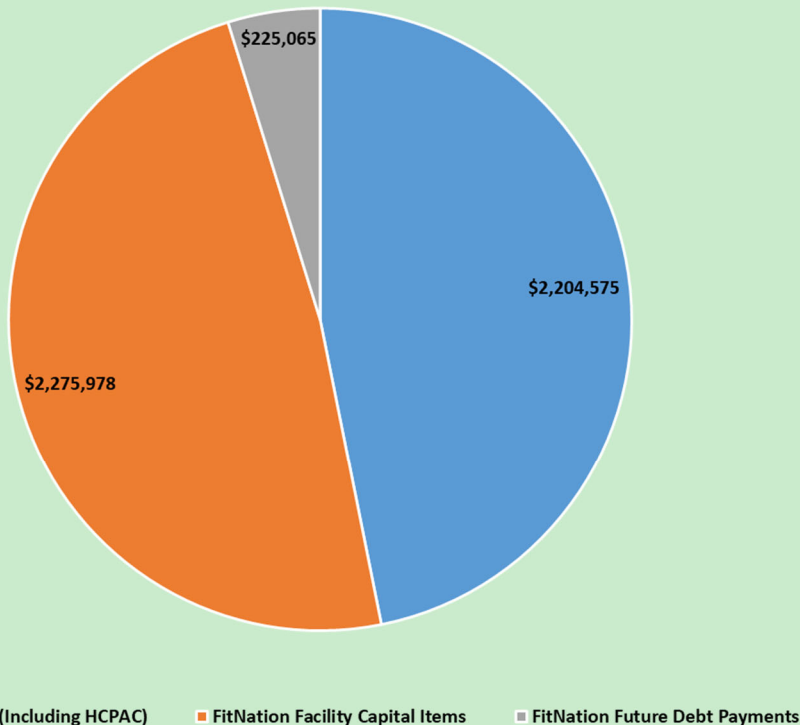
| FUND                          | FY 18/19<br>(Actual) | FY 19/20<br>(Actual) | FY 20/21<br>(Projected) |
|-------------------------------|----------------------|----------------------|-------------------------|
| CORPORATE                     | 694,163              | 990,828              | 740,968                 |
| SITE & CONST (Dev donation)   | 371,104              | 189,118              | 152,045                 |
| SITE & CONST (bonds)          | 1,329,392            | 119,597              | 258,362                 |
| CAPITAL REPL / DEVL           | 5,021,262            | 4,792,278            | 4,537,293               |
| RECREATION                    | 2,123,047            | 2,084,217            | 1,975,418               |
| HUNT CLUB PARK AQUATIC CENTER | -                    | -                    | -                       |
| AUDIT                         | 8,160                | 9,857                | 8,205                   |
| PAVING & LIGHTING             | 24,324               | 16,115               | 25,361                  |
| REC FOR HANDICAPPED           | 139,925              | 148,978              | 228,888                 |
| LIABILITY INSURANCE           | 59,162               | 88,955               | 68,103                  |
| IMRF                          | 119,410              | 124,456              | 151,169                 |
| SOCIAL SECURITY               | 138,762              | 106,197              | 199,067                 |
| BOND & INTEREST               | 27,223               | 42,445               | 49,703                  |
| DEBT SERVICE (Aquatic Center) | 690,069              | 518,242              | -                       |
| <b>TOTAL</b>                  | <b>\$10,746,001</b>  | <b>\$ 9,231,281</b>  | <b>\$ 8,394,582</b>     |

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

| FUND                          | FY 12/13<br>(Actual) | FY 13/14<br>(Actual) | FY 14/15<br>(Actual) | FY 15/16<br>(Actual) | FY 16/17<br>(Actual) | FY 17/18<br>(Actual) |
|-------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| CORPORATE                     | 589,071              | 625,296              | 658,789              | 645,201              | 683,839              | 753,750              |
| SITE & CONST (Dev donation)   | 395,455              | 395,688              | 80,512               | 199,287              | 378,265              | 456,683              |
| SITE & CONST (bonds)          | 295,497              | 729,860              | 193,123              | 286,494              | 175,534              | 142,683              |
| CAPITAL REPL / DEVL           | 3,044,607            | 3,091,392            | 2,880,075            | 2,649,655            | 3,142,031            | 4,087,425            |
| RECREATION                    | 1,699,583            | 1,603,839            | 1,900,969            | 2,003,930            | 2,047,713            | 2,008,607            |
| HUNT CLUB PARK AQUATIC CENTER | 929,410              | 894,710              | 823,439              | 735,863              | 627,230              | 561,073              |
| AUDIT                         | 4,957                | 11,337               | 16,028               | 12,088               | 7,766                | 8,083                |
| PAVING & LIGHTING             | 77,365               | 103,879              | 70,891               | 76,006               | 14,269               | 24,919               |
| REC FOR HANDICAPPED           | 199,234              | 266,806              | 53,044               | 109,569              | 95,185               | 164,139              |
| LIABILITY INSURANCE           | 45,775               | 67,272               | 80,554               | 67,109               | 60,260               | 66,424               |
| IMRF                          | 102,515              | 59,734               | 45,275               | 117,231              | 140,585              | 97,635               |
| SOCIAL SECURITY               | 128,999              | 121,866              | 94,697               | 104,905              | 109,322              | 118,106              |
| BOND & INTEREST               | 28,878               | 32,664               | 42,334               | 50,890               | 7,087                | 16,592               |
| DEBT SERVICE (Aquatic Center) | 641,899              | 647,452              | 652,123              | 656,960              | 662,647              | 671,255              |
| <b>TOTAL</b>                  | <b>\$ 8,183,245</b>  | <b>\$ 8,651,794</b>  | <b>\$ 7,591,854</b>  | <b>\$ 7,715,188</b>  | <b>\$ 8,151,733</b>  | <b>\$ 9,177,373</b>  |

The Capital Replacement/Development Fund balance consists of funds set aside for regular Park District capital projects, future FitNation capital needs, future Hunt Club Park Aquatic Center capital needs and future FitNation debt payments. The table below shows the breakdown of the total projected Capital Replacement/Development Fund balance at the end of fiscal year 2021-22.

Total FYE 2021-22 Projected Capital Replacement/Development Fund Balance- \$4,705,618



**GURNEE PARK DISTRICT**  
**Equalized Assessed Valuation, Tax Levy and Tax Rates**

| Tax Levy Year                       | <u>2020</u>         | <u>2019</u>         | <u>2018</u>         | <u>2017</u>         | <u>2016</u>         |
|-------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| <u>Equalized Assessed Valuation</u> | \$ 1,205,187,331    | \$ 1,199,805,752    | \$ 1,155,684,158    | \$ 1,125,748,618    | \$ 1,092,489,340    |
| Total Tax Levy:                     | \$ 6,076,253        | \$ 5,927,376        | \$ 5,782,628        | \$ 5,636,038        | \$ 5,510,232        |
| Corporate                           | 0.194               | 0.186               | 0.192               | 0.185               | 0.191               |
| Recreation                          | 0.117               | 0.105               | 0.103               | 0.101               | 0.102               |
| Audit                               | 0.003               | 0.002               | 0.003               | 0.003               | 0.003               |
| Paving & Lighting                   | 0.005               | 0.005               | 0.005               | 0.005               | 0.005               |
| Handicap                            | 0.040               | 0.040               | 0.040               | 0.040               | 0.040               |
| IMRF                                | 0.022               | 0.027               | 0.026               | 0.030               | 0.026               |
| Liability                           | 0.015               | 0.015               | 0.020               | 0.019               | 0.019               |
| Social Security                     | 0.019               | 0.027               | 0.024               | 0.030               | 0.030               |
| Debt Service                        | 0.088               | 0.087               | 0.088               | 0.089               | 0.089               |
| <b>Total Tax Rate:</b>              | <b><u>0.504</u></b> | <b><u>0.494</u></b> | <b><u>0.500</u></b> | <b><u>0.501</u></b> | <b><u>0.504</u></b> |

| Tax Levy Year                       | <u>2015</u>         | <u>2014</u>         | <u>2013</u>         | <u>2012</u>         | <u>2011</u>         |
|-------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| <u>Equalized Assessed Valuation</u> | \$ 1,022,376,751    | \$ 1,014,262,650    | \$ 1,033,716,226    | \$ 1,100,827,710    | \$ 1,204,262,913    |
| Total Tax Levy:                     | \$ 5,430,826        | \$ 5,386,891        | \$ 5,313,301        | \$ 5,228,932        | \$ 5,081,990        |
| Corporate                           | 0.193               | 0.196               | 0.191               | 0.168               | 0.148               |
| Recreation                          | 0.105               | 0.108               | 0.105               | 0.097               | 0.085               |
| Audit                               | 0.002               | 0.002               | 0.003               | 0.003               | 0.002               |
| Paving & Lighting                   | 0.005               | 0.005               | 0.005               | 0.005               | 0.005               |
| Handicap                            | 0.040               | 0.040               | 0.040               | 0.040               | 0.040               |
| IMRF                                | 0.033               | 0.036               | 0.031               | 0.030               | 0.027               |
| Liability                           | 0.019               | 0.016               | 0.018               | 0.017               | 0.014               |
| Social Security                     | 0.032               | 0.033               | 0.029               | 0.030               | 0.025               |
| Debt Service                        | 0.093               | 0.095               | 0.092               | 0.085               | 0.076               |
| <b>Total Tax Rate:</b>              | <b><u>0.522</u></b> | <b><u>0.531</u></b> | <b><u>0.514</u></b> | <b><u>0.475</u></b> | <b><u>0.422</u></b> |

The tax levy in the stated year is collected in the following year, for example, 2020 taxes levied from ordinance 20/21-6, passed November 17, 2020, are collected in calendar year 2021.

## Equalized Assessed Valuation, Tax Levy and Tax Rates

The spreadsheet on page 52 shows the equalized assessed valuation (EAV), total tax levy and tax rates for ten years beginning with 2011.

In 2009, the Park District experienced its first decrease in EAV resulting in a slight tax rate increase from 2008 to 2009. The trend of decreased EAV continued through 2014 resulting in a corresponding annual increase in the tax rate until 2015. The 2015 EAV increased 2.7% from

2014 resulting in a slightly lower tax rate. The 2015 increased EAV represented the first increase in EAV since 2008. The trend continued in 2016, 2017, 2018 and 2019. In 2020 there was a 0.4% increase in EAV. With CPI increasing by 2.3% the District's tax rate increased 2.1%. The 2020 EAV still reflects a 13% decrease from the 2008 EAV.

The Board of Commissioners and staff discuss the tax levy every fall. The following timeline

was used for the 2020 tax levy:

**October 20, 2020:** Determine Truth-in-Taxation hearing was not needed.

**November 17, 2020:** Adopt Tax Levy Ordinance.

**December 18, 2020:** File Tax Levy Ordinance with Lake County Clerk.

**Chart 4: Tax levy rate - 10 years**

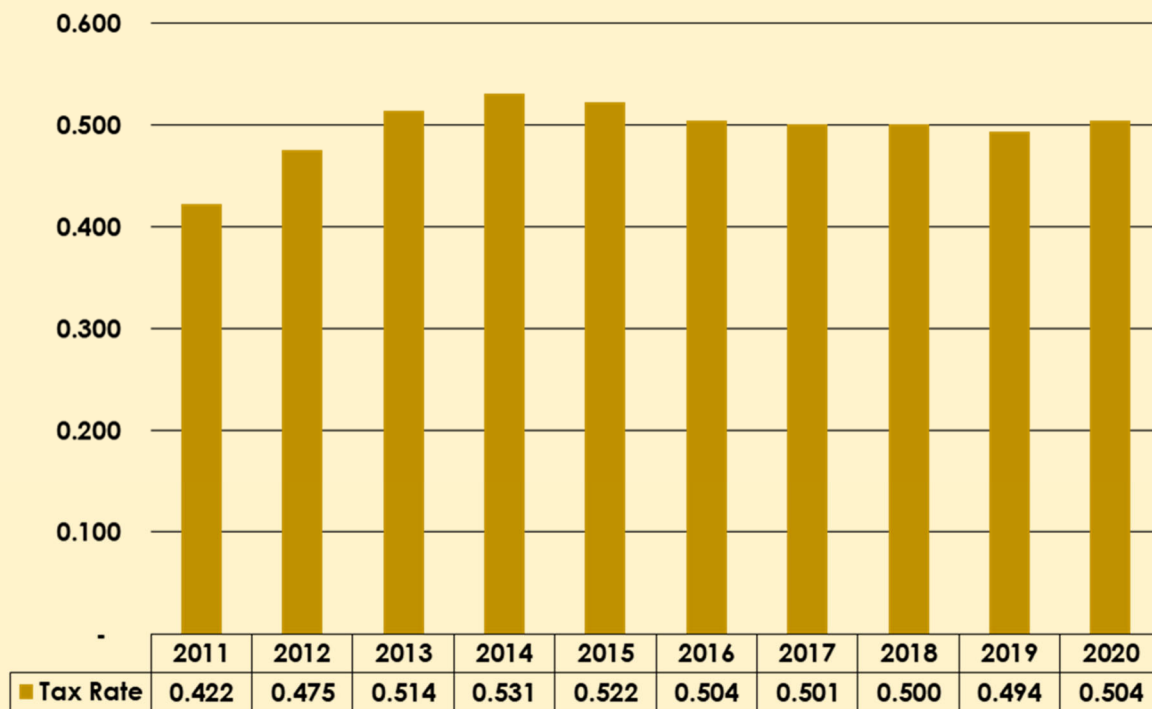


Chart 4 shows the Tax Levy Rate for the last ten years.

## Debt Position

**Park District residents call for quality facilities and parks, so we budget capital and infrastructure expenditures for recreation activities and open space. Therefore, the costs associated with acquiring and improving many long-term capital assets are met with the issuance of debt and surplus operations. The Park District reviews existing obligation structure, current and projected surplus from operations and future liability levels before making decisions to issue new debt.**

**The Park District currently has four outstanding debt issuances.**

### **SERIES 2001 ALTERNATE REVENUE SOURCE BONDS (\$6,000,000) FINAL PAYMENT MADE IN 20/21-**

On April 17, 2001 the Park District issued \$6,000,000 in alternate revenue source bonds to finance the construction of the Hunt Club Park Aquatic Center. The Aquatic Center has a 1,500 bather load pool, three large water slides, two smaller drop slides, as well as a splash area for smaller children. The Park District entered into an agreement with the Village of Gurnee wherein the Village annually reimburses the Park District for 75% of the debt service. The Park District uses property tax revenues to pay the remaining 25% debt service on this bond issue. This issuance is paid out of the Debt

Service (Aquatic Center) fund. The outstanding principal balance as of April 30, 2021 is \$0, the final debt payment for these bonds was made in fiscal year 2020-21.

**SERIES 2013 A & 2014 A GENERAL OBLIGATION BONDS - ALTERNATIVE REVENUE SOURCE (\$8,510,000 & \$1,990,000) –** On December 17, 2013 and January 21, 2014 the Park District issued a total of \$10,500,000 in general obligation alternative revenue source bonds to finance the acquisition and rehabilitation of FitNation. FitNation is a 75,000 square foot fitness center located just off Interstate 94. The FitNation space encompasses an expansive fitness floor with cardio and weight lifting

machines and equipment, a large gymnasium, five lane lap pool with hot tubs, several specialized group exercise studios, childcare room, and well appointed locker rooms with sauna and steam rooms. The Park District will use revenues from the fitness operations accumulated in the Recreation fund to pay debt service on these bonds. The combined outstanding principal balance as of April 30, 2021 is \$10,500,000.

**SERIES 2015 B GENERAL OBLIGATION REFUNDING PARK BONDS - ALTERNATIVE REVENUE SOURCE (\$3,910,000) –** On June 21, 2005 the Park District issued a total of \$6,310,000 in debt certificates to finance the construction of the Hunt Club Park Community Center. On November 4, 2015 the Park District took the opportunity to refinance the Hunt Club Park Community Center debt and issued \$3,910,000 in general obligation refunding alternative revenue source bonds. The refunding will save the Park

District around \$300,000 over the remaining life of the bonds. The Hunt Club Park Community Center is a 44,000 square foot facility that has a 4,000 square foot fitness center, basketball court, preschool rooms, administrative offices and a dance studio. The Park District uses revenue from fitness center operations (\$65,000) accumulated in the Recreation Fund and property tax revenues to pay the debt service on this bond issue. The outstanding principal balance as of April 30, 2020 is \$1,865,000.

**SERIES 2019 GENERAL OBLIGATION LIMITED TAX PARK BONDS (\$1,205,000) –**

On April 16, 2019 the Park District issued \$1,205,000 in general obligation limited tax park bonds to finance the construction of the new maintenance facility located at Viking Park. The new facility will replace the current 40 year old pole barn and will include a woodworking shop, office space, work area, ample storage for parks and recreation needs, lunchroom, bathroom and laundry area. The new maintenance facility will also

improve the efficiency of the Parks Team to service the eastside of the District. The outstanding principal balance as of April 30, 2021 is \$1,205,000.

**Series 2020 General Obligation Limited Tax Park Bonds (\$942,140)–**

On December 1, 2020 the Park District issued a total of \$930,360 in G.O. bonds. This is a bond issue that the district does every year to pay off the larger Hunt Club Community Center bond. Additionally a small portion of the proceeds will go towards ongoing capital projects. From 2013 to 2018, the Park District purchased its own G.O. Bonds. Buying our own bonds kept the interest from these bonds in the Park District. In 2019 the bonds were sold in the open market

because of the favorable interest rates offered. 2020 also saw favorable interest rates, so the decision was again made to sell the bonds on the open market. These are one year bonds and will be paid off in 2021 out of the Bond and Interest Fund.

**BOND RATING**

On March 28, 2019 the Park District received a AA+ rating from Standard and Poor's for the Series 2019 bond issue, the Park District's most recent issue. Standard and Poor's stated in their Rating Rationale Report that **“Recent financial performance has been, in our view, strong. Overall finances remain, what we consider, very strong”**. Additionally, the District's General Obligation Debt is rated “Aa2” by Moody's. Moody's cites **“We**

| <b>Debt limit</b>                  |                  |                |
|------------------------------------|------------------|----------------|
|                                    | <b>Amount</b>    | <b>Percent</b> |
| Assessed Valuation - 2020 Levy     | \$ 1,205,187,331 |                |
| Legal Debt Limit - 2.875% of EAV   | 34,649,136       | 100.00%        |
| Amount of Debt Applicable to Limit | 2,135,360        | 6.16%          |
| Legal Debt Margin                  | \$ 32,513,776    | 93.84%         |

### Ratio of bonded debt to assessed value

| Fiscal Year | Net General Obligation Debt | EAV             | Ratio of Bonded Debt to Assessed Value | Population | Per Capita |
|-------------|-----------------------------|-----------------|--|------------|------------|
| 2012        | \$9,277,959                 | \$1,204,262,913 | 0.770%                                 | 34,170     | \$272      |
| 2013        | \$8,788,796                 | \$1,100,827,710 | 0.798%                                 | 34,170     | \$257      |
| 2014        | \$18,758,812                | \$1,033,716,226 | 1.815%                                 | 34,295     | \$547      |
| 2015        | \$18,030,494                | \$1,014,262,650 | 1.778%                                 | 34,295     | \$526      |
| 2016        | \$17,323,840                | \$1,041,820,185 | 1.663%                                 | 34,284     | \$505      |
| 2017        | \$16,590,377                | \$1,092,489,340 | 1.519%                                 | 34,284     | \$484      |
| 2018        | \$15,731,577                | \$1,125,748,618 | 1.397%                                 | 33,021     | \$476      |
| 2019        | \$15,151,826                | \$1,155,684,158 | 1.311%                                 | 33,021     | \$459      |
| 2020        | \$14,201,169                | \$1,199,805,752 | 1.184%                                 | 33,067     | \$429      |
| 2021        | \$14,681,080                | \$1,205,187,331 | 1.218%                                 | 33,067     | \$444      |

expect the district's financial position will remain healthy given ample flexibility to adjust programming and staffing levels, coupled with a favorable revenue mix and history of maintaining sound reserve levels.”

#### DEBT LIMIT

The Park District's statutory debt limit is 2.875% of the Equalized Assessed Valuation of all taxable property located within the boundaries of the district. See the previous page for the Park District's debt limit for fiscal year 2021-22. Bonds are not included in the computation of statutory indebtedness unless taxes levied

to pay for such obligations are in fact extended.

#### RATIO OF BONDED DEBT TO ASSESSED VALUE

Shown in the chart above is the ratio of bonded debt to assessed value and per capita amounts for the past five years. The increase in ratio of bonded debt to assessed value and per capita amount from 2013 to 2104 is directly related to the general obligation alternative revenue source bonds to finance the acquisition and rehabilitation of FitNation. It is the intention of the Park District to use revenues from fitness operations to pay debt service

on these bonds. To date, all FitNation bond payments have been made with revenues from fitness operations and is included in the 2020-21 budget.

#### DEBT SERVICE REQUIREMENTS TO MATURITY

The chart on the following page shows the Gurnee Park District's debt service requirements through their maturity. In fiscal year 2015-16 the Park District refunded the 2005 Hunt Club Park Community Center debt certificates, leaving only Alternate Revenue Source and General Obligation Bonds outstanding.



## Debt service requirements to maturity

| Fiscal<br>Year | Governmental Activities |                     |                     |                  |
|----------------|-------------------------|---------------------|---------------------|------------------|
|                | Alternate Revenue       |                     | General Obligation  |                  |
|                | Source Bonds            |                     | Bonds               |                  |
|                | Principal               | Interest            | Principal           | Interest         |
| 2022           | 570,000                 | 488,388             | 1,005,360           | 46,500           |
| 2023           | 600,000                 | 471,288             | 75,000              | 42,100           |
| 2024           | 640,000                 | 453,288             | 80,000              | 40,600           |
| 2025           | 665,000                 | 434,088             | 80,000              | 39,000           |
| 2026           | 680,000                 | 414,137             | 410,000             | 35,800           |
| 2027           | 700,000                 | 386,937             | 430,000             | 19,400           |
| 2028           | 725,000                 | 358,937             | 55,000              | 2,200            |
| 2029           | 750,000                 | 329,937             | -                   | -                |
| 2030           | 775,000                 | 299,937             | -                   | -                |
| 2031           | 800,000                 | 268,937             | -                   | -                |
| 2032           | 830,000                 | 236,937             | -                   | -                |
| 2033           | 860,000                 | 201,662             | -                   | -                |
| 2034           | 890,000                 | 165,112             | -                   | -                |
| 2035           | 925,000                 | 127,287             | -                   | -                |
| 2036           | 960,000                 | 87,975              | -                   | -                |
| 2037           | 995,000                 | 44,775              | -                   | -                |
| <b>Total</b>   | <b>\$ 12,365,000</b>    | <b>\$ 4,769,622</b> | <b>\$ 2,135,360</b> | <b>\$225,600</b> |

The annual debt service requirements to maturity, including principal and interest are shown above.

## Total District

### MAJOR BUDGET CHANGES REVENUE

The total 2021-22 budgeted revenue of \$13.1 million is a 42% increase from 2020-21 year end estimates. The main source of revenue increase is fees & charges which is directly related to the negative impact on recreational offering in 2020-21 due to the COVID-19 pandemic. While staff worked extremely hard to offer programming that aligned with the State of IL guidelines, these restrictions called for drastic changes to the District's activities offered for residents. Park District Management believes the worst of the COVID-19 pandemic is behind us and recovery will occur during the upcoming year. Revenue changes for the 2021-22 budget include:

#### Tax Receipts

Tax Revenue is proposed to increase slightly (2%) to \$6,108,182 compared to 2020-21 year-end estimates. The increase in property tax revenue is from the increase in CPI as well as a

### Total Park District Staffing

| Headcounts          | 2020-21<br>Budget | 2020-21<br>Y/E Estimate | 2021-22<br>Proposed |
|---------------------|-------------------|-------------------------|---------------------|
| Full-Time Positions | 44                | 40                      | 41                  |
| Part-Time           | 116               | 95                      | 125                 |
| Seasonal            | 55                | 40                      | 164                 |
| <b>Total</b>        | <b>215</b>        | <b>175</b>              | <b>330</b>          |

*All of the employment reductions shown above from 2020-21 budget to 2020-21 year-end estimate are related to the negative COVID-19 impact on recreation programming. Management believes the worst of the COVID-19 pandemic is behind us and recovery will occur during the upcoming year. The 2021-22 proposed staffing levels reflects more seasonal recreation program offerings compared to 2020-21.*

modest increase in EAV.

#### Fees and Charges

Revenue from fees and charges consists of recreation program revenue, fitness center operations revenue and aquatic center operations revenue. Under normal circumstances Fees and charges account for over 50% of the budgeted total park district revenue. In 2020-21, based on reduced program offerings due to the COVID-19 pandemic, fees and charges accounts for 22% of total

projected year-end revenue. With the expected pandemic recovery underway, fees and charges are budgeted to account for 45% of total revenue in 2021-22. Fees and charges for services revenue is budgeted to increase 191% compared to 2020-21 year end estimates, however is budgeted at 81% of 2018-19 year end actual revenue which was the last fiscal year not affect by the COVID-19 pandemic. Fitness operations accounts for \$2.7 million in budgeted revenue

**Gurnee Park District**  
Annual Budget Summary  
Fiscal Year 2021-22

| <b>Total District</b>          | <b>2019-20<br/>Actual</b> | <b>2020-21<br/>Budget</b> | <b>2020-21<br/>Estimate</b> | <b>2021-22<br/>Budget</b> | <b>Budget vs.<br/>Current Year<br/>Estimate</b> |
|--------------------------------|---------------------------|---------------------------|-----------------------------|---------------------------|---|
| Tax Receipts                   | 5,854,852                 | 5,966,620                 | 5,983,369                   | 6,108,182                 | 124,813   |
| Fees & Charges                 | 6,364,180                 | 3,216,652                 | 2,034,416                   | 5,928,264                 | 3,893,848                                       |
| Bond Proceeds                  | 942,140                   | 894,000                   | 930,360                     | 927,000                   | (3,360)   |
| Grants / Intergovernmental     | 251,813                   | -                         | -                           | -                         | -   |
| Investment Income              | 255,460                   | 106,258                   | 24,095                      | 45,770                    | 21,675  |
| Donations & Miscellaneous      | 135,129                   | 71,800                    | 242,016                     | 94,580                    | (147,436)                                       |
| <b>Total Revenue*</b>          | <b>\$ 13,803,573</b>      | <b>\$ 10,255,330</b>      | <b>\$ 9,214,257</b>         | <b>\$ 13,103,796</b>      | <b>\$ 3,889,538</b>                             |
| Salaries & Benefits            | 6,649,224                 | 5,617,407                 | 4,669,191                   | 6,462,747                 | 1,793,557                                       |
| Contractual Services           | 1,694,148                 | 1,327,085                 | 1,107,656                   | 1,647,432                 | 539,777   |
| Supplies                       | 758,832                   | 523,169                   | 419,332                     | 808,449                   | 389,118   |
| Intergovernmental - WSRA       | 406,444                   | 377,301                   | 358,861                     | 413,221                   | 54,359  |
| Capital Outlay                 | 2,710,610                 | 1,226,419                 | 749,368                     | 1,365,100                 | 615,732   |
| Debt Service                   | 2,461,330                 | 2,484,400                 | 2,484,400                   | 2,110,247                 | (374,152)                                       |
| Other                          | 637,705                   | 377,040                   | 262,151                     | 618,357                   | 356,206   |
| <b>Total Expenditures*</b>     | <b>\$ 15,318,294</b>      | <b>\$ 11,932,819</b>      | <b>\$ 10,050,957</b>        | <b>\$ 13,425,553</b>      | <b>\$ 3,374,597</b>                             |
| <b>Net Surplus / (Deficit)</b> | <b>\$ (1,514,720)</b>     | <b>\$ (1,677,489)</b>     | <b>\$ (836,699)</b>         | <b>\$ (321,758)</b>       | <b>\$ 514,941</b>                               |

\* Total Revenue and Total Expenditures do not include transfers between funds (\$383,000 in 2021-22; \$800,000 in 2020-21; \$358,000 in 2019-20)

for the Park District, which is more than double current fiscal year end projections which were dramatically affected by the pandemic, and is 90% of the total 2018-19 fiscal year fitness operations revenue.

Revenue from aquatic center operations is budgeted at a 6% increase compared to the 2019 season (the aquatic center was closed in 2020). The budgeted revenue increase for the 2021 season is mainly due to a slight increase in daily fees.

### **Investment Income**

Investment income is budgeted to increase \$21,675 or 90% compared to 2020-21 year end estimates. The increase in anticipated interest income is due to more dollars available to invest as recreation programming increases with the pandemic recovery. Interest rates are still budgeted conservatively as the economy also recovers.

### **Bond Proceeds**

Bond proceeds are budgeted to decrease \$3,360, less than 1%, in 2021-22 compared to 2020-21 year end estimate.

### **Donations and Miscellaneous**

Donations and Miscellaneous are budgeted to decrease 61% in 2021-22 compared to 2020-21 year end estimates.

Miscellaneous revenue in 2020-21 includes over \$114,000 in CARES Act proceeds from the Federal Government.

## **EXPENDITURES**

### **Salaries and Benefits**

The proposed budget is \$1,793,557 (38%) higher than 2020-21 year end estimates. The increase in Salaries and Benefits includes a 3% increase in salary & wages which will be distributed strictly based on merit. The 38% budgeted increase in Salaries & Benefits compared to 2020-21 year-end estimates is mainly due to the COVID-19 pandemic recovery giving the Park District the ability to offer more programming. For example, it is planned for the Hunt Club Park Aquatic Center to be open in 2021 as well as the District's successful day camp and other seasonal programming are expected to return closer to more normal participation levels.

### **Contractual Services**

The proposed budget is \$539,777 (49%) higher than 2020-21 year end estimates. The increase is mainly due to the COVID-19 pandemic recovery giving the Park District the ability to offer more programming.

### **Supplies**

The proposed budget is \$389,118 (93%) higher than 2020-21 year end estimates due to the COVID-19 pandemic recovery giving the Park District the ability to offer more programming.

### **Intergovernmental - WSRA**

The proposed budget is increased \$54,359 (15%) from the 2020-21 year end estimates. The Gurnee Park District contributes 75% of its Recreation for Handicapped tax levy to the Warren Special Recreation Association. The Park District also reimburses WSRA for WSRA staff needed for inclusion services during recreation programs. The increase in overall intergovernmental expenditures is due solely to anticipated increased need of staff inclusion services based on increased programming.

## Capital Outlay

Budgeted capital outlay is \$615,732 higher than 2020-21 year end estimates. Details of the District's Capital Outlay can be found in Appendix A.

## Debt Service

Debt Service expenditures are budgeted to decrease \$374,152 (15%) compared to prior year end estimates. This decrease is entirely due to the last payment for the Hunt Club Park Aquatic Center bonds being paid in fiscal year 2020-21.

## Other

Other Expenditures are budgeted \$356,206 (136%) higher than prior year end estimates, due mainly to the COVID-19 pandemic recovery giving the Park District the ability to offer more programming.

## ANNUAL GOALS / PERFORMANCE MEASURES

The Gurnee Park District's Strategic Plan is the directional map used to develop annual goals and objectives which lead the operational activities of the Park District for the fiscal year. Each year the goals and

objectives for the Park District are approved by the Board of Commissioners prior to the approval of the budget. The goals and objectives are used to guide the budget process and dictate the proper allocation of Park District resources.

The management team, consisting of the Executive Director and Department Directors, work together to ensure the successful implementation of the goals and objectives each fiscal year. Six months into the fiscal year, the management team reports on the progress of the annual goals and objectives to the Board of Commissioners. At the conclusion of the fiscal year, a twelve month report on the goals and objectives is given to the Board from the management team. The performance of the Park District management team is measured through the acceptable completion of the fiscal year goals and objectives as well as the overall financial performance of the Park District as detailed in the Comprehensive Annual

Financial Report prepared by the District a few months after the fiscal year end.

There was so much uncertainty with the COVID-19 pandemic, it was not practical to set detailed goals and objectives for the 2020-21 fiscal year. The main financial goal for 2020-21 was to remain above the combined fund balance targets for the two main operating funds of the District, Corporate and Recreation. The Leadership Team worked extremely hard to offer recreation programming and fitness opportunities to the residents and customers of the Gurnee Park District while safely operating within the State COVID guidelines. As of March 31, 2021 the Corporate and Recreation Funds combined fund balances are \$245,411 above target.

The following pages shows the 2021-22 annual goals and objectives for the Gurnee Park District approved by the Board of Park Commissioners.

Located on pages 64-66 are key performance measures tracked by the management team and reported to the Board.

## Fiscal Year 2021-22

### Theme #1-Diversity, Equity and Inclusion

1. Install cricket pitch at Viking Park Annex property.
2. Develop a Diversity, Equity, Inclusion Committee and have them develop a DEI Plan.
3. Develop updated recruitment policy and procedures.
4. Develop a workforce development program to attract young individuals to the field of park and recreation.
5. Develop a "work life balance" policy and associated procedures.
6. Expand diverse dance class offerings.
7. Create versatile curriculum in performing arts.
8. Introduce the community to three lesser known sports through demo or clinic days/events (Ex - Rugby, Cricket, Broomball or Fencing).
9. Improve the CARE program experience through enhancing participant relationships.
10. Offer Esports events.
11. Reengage our community partners and offer corporate membership.
12. Develop two preschool curriculum diversity units including literature, art, math and science.

### Theme #2 - Enhance Relationships with Community via the Parks

1. Shelter Improvements - Updating restroom amenities at Viking, Betty Russell and O'Plaine Parks.
2. Install Timberwoods 5-12yro playground structure (by contractor) and parking lot improvements.
3. Develop a social engagement series to solicit feedback from park neighbors by hosting "Coffee with a Director" meetings.
4. Re-purpose planting beds inside of Mother Rudd Barn foundation to be used as vegetable gardens maintained by Summer Camp participants.
5. Develop a Comprehensive Parks Standard of Care Manual and Annual Calendar.
6. Develop "Connecting Community to Nature" programming series feature guided and independent programming.
7. Plan and execute a Night in the Park program (1-2 events) to engage families/adults in the community.
8. Celebrate Earth Day/Park Beautification annually. Provide volunteer outlet for community and engage staff to participate.
9. Collaborate with WNPL-Expand Story Walks to 3 annually and offer Outdoor Family Storytime at Betty Russell Park- 7 dates.
10. Expand our sport programs to be held at 3 neighborhood parks (Ex - Westgate, Vineyard & Ravinia).
11. Create and implement two Preschool in the Park programs for summer 2022.

### Theme #3 - Reinvent the Park District

1. Fully integrate all MainTrac applications to improve efficiencies within the Parks Department and assist with short/long term planning.
2. Fully Integrate MSDSONline.com so that all employees have internet based access to Safety Data Sheets.

3. Create a master preventative maintenance schedule/calendar for all facilities. Included in plan HVAC, plumbing, fire safety, electric and machine operated systems.
4. Implement Human Resources Information Software to greatly enhance the efficiency of the onboarding process and other HR functions.
5. Ensure budgeted net results are met in the Corporate and Recreation Funds.
6. Create 5 year financial forecast and present to Board.
7. Upgrade wifi at Hunt Club Park Community Center.
8. Implement advanced phone system capabilities that enhance Park District operations.
9. Upgrade SAN and main switch at Viking Park Community Center.
10. Analyze department workload and determine staff needs as we come out of COVID.
11. Offer 2 outdoor movie options-fee based.
12. Continue to offer successful passive/virtual programs/events- Santa's Calls, Big Tree Hunt, Fishing Derby and Twas the Lights Before Christmas (4 passive/virtual events).
13. Establish and document a consistent Recreation Department survey method and process.
14. Enhance the registration process.
15. Increase adult pickleball programs by offering a summer league and two tournaments in addition to year round instructional classes.
16. Purchase & set up use of coaching app, MOJO Sports, to be used for our 3 sport league's (Soccer, basketball & T-Ball) volunteer coaches.
17. Operate the Aquatic Center at a break even margin for the summer of 2021.
18. Restart the GPD swim school in September of 2021 and increase participation back to Pre-COVID membership number of 350.
19. Create annual recreation report.
20. Investigate the need for capacity counting program district wide.
21. Establish a consistent training process for all front desk staff.
22. Meet budgeted fitness membership
23. Close on 75% of the potential members that enter the building inquiring about membership.
24. Implement an app or virtual sign-in process for camp/CARE/preschool.
25. Determine DCFS licensing standards.
26. Implement portfolio and point capabilities of Class Dojo for all age levels.
27. Create Marketing Plan to create 6-10 campaigns focused on new member acquisition.
28. Create referral program for FitNation members as acquisition tool.
29. Increase participation in GO programming through effective marketing campaigns and PR/communications.
30. Create Matrix for Marketing Support for Recreation (based on program areas), Parks and agency efforts.
31. Analyze and offer new solution for Program Guide print/digital.
32. Cover special event expenses through sponsorship.
33. Analyze scholarship process.

## General Governmental Revenues by Source - Last Ten Fiscal Years

An important indicator of the financial stability of the Park District is the split between revenue sources. As shown below, the two main revenue sources for the Park District charges for services and taxes. The measurement of these two sources of revenue is something the Park District tracks on a regular basis. Modest growth in tax revenue has been the trend the last several years and is expected to continue for many years to come. Because of this, the growth in Park District revenue will come from charges for services.

In November 2013, the Park District opened FitNation, a 75,000 square foot fitness facility. Since the opening of FitNation, charges for services have become the largest source of revenue for the Park District with a 64% increase from 2013 to 2020.

In 2021, the impact of COVID-19 has lowered our charges for services revenue and changed the expected revenue split for the District to 42% taxes and 25% charges for services.

In 2021-22 the budget calls for a revenue split approaching normal at 50% taxes and 49% charges for services. Having this revenue balance between property taxes and charges for services is very important to the financial strength of the Park District. In the Recreation Fund, charges for services account for 80% of the total revenue. As part of the recovery from the COVID-19 pandemic, it is a goal of the Park District to achieve pre-pandemic (fiscal year 2018-19) fees and charges revenue in fiscal year 2022-2023.

### GURNEE PARK DISTRICT, ILLINOIS

#### General Governmental Revenues by Source - Last Ten Fiscal Years

| Source                      | Actual<br>2013 | Actual<br>2014 | Actual<br>2015 | Actual<br>2016 | Actual<br>2017 | Actual<br>2018 | Actual<br>2019 | Actual<br>2020 | Projected<br>2021 | Budget<br>2022 |
|-----------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|-------------------|----------------|
| <b>Taxes</b>                | \$ 5,131,180   | 5,251,516      | 5,369,403      | 5,447,353      | 5,487,201      | 5,551,943      | 5,667,661      | 5,854,852      | 5,983,369         | 6,108,182      |
| <b>Charges for Services</b> | 4,726,023      | 5,305,589      | 6,777,010      | 7,359,080      | 7,358,172      | 7,228,763      | 7,239,559      | 6,364,180      | 2,034,416         | 5,928,264      |
| <b>Investment Income</b>    | 22,687         | 22,546         | 30,886         | 47,815         | 65,684         | 127,197        | 245,184        | 255,460        | 24,095            | 45,770         |
| <b>Miscellaneous</b>        | 565,926        | 489,983        | 565,234        | 621,045        | 708,190        | 566,081        | 526,002        | 386,942        | 242,016           | 94,580         |
| <b>Total</b>                | # 10,445,816   | 11,069,634     | 12,742,533     | 13,475,293     | 13,619,247     | 13,473,984     | 13,678,407     | 12,861,434     | 8,283,897         | 12,176,796     |



The Park District's fees & charges revenue comes from recreation program registrations as well as Fitness Center and Aquatic Center operations. Shown below and on the following page are examples of three performance measurement tables the District tracks on a regular basis. The first table shows the total recreation program registrations by function for the last ten years. The second table shows the fitness membership and facility usage activity over the last fiscal year. The third shows the Hunt Club Park Aquatic Center data tracked and analyzed each season.

## Registrations by Function/Program - Last Ten Fiscal Years

### GURNEE PARK DISTRICT, ILLINOIS

#### Registrations by Function/Program - Last Ten Fiscal Years

| Attendance/Registrations<br>by Program or Facility | 2012          | 2013          | 2014          | 2015          | 2016          | 2017          | 2018          | 2019          | 2020          | 2021         |
|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|--------------|
| Athletics  | 5,537         | 5,642         | 4,863         | 5,035         | 4,624         | 4,450         | 4,244         | 3,702         | 3,074         | 667          |
| Youth Recreation                                   | 2,588         | 2,934         | 2,327         | 2,213         | 1,747         | 1,700         | 1,610         | 3,149         | 3,050         | 392          |
| Early Childhood/Preschool/CARE                     | 1,213         | 1,432         | 1,221         | 1,152         | 1,390         | 1,421         | 1,393         | 1,323         | 1,584         | 94           |
| Day Camp   | 3,137         | 3,439         | 3,731         | 3,833         | 3,913         | 3,853         | 3,879         | 3,783         | 3,274         | -            |
| Aquatics   | 4,365         | 4,397         | 3,736         | 3,716         | 3,141         | 2,738         | 2,758         | 1,231         | 821           | 290          |
| Arts/Special Events                                | 2,219         | 2,232         | 2,391         | 2,704         | 2,307         | 2,281         | 2,177         | 1,947         | 1,728         | 230          |
| Adult Programming                                  | 1,606         | 1,771         | 1,318         | 1,217         | 1,146         | 961           | 807           | 1,341         | 1,779         | 736          |
| Other  | 854           | -             | -             | -             | -             | -             | -             | -             | -             | -            |
| <b>Total Program Registrations</b>                 | <b>21,519</b> | <b>21,847</b> | <b>19,587</b> | <b>19,870</b> | <b>18,268</b> | <b>17,404</b> | <b>16,868</b> | <b>16,476</b> | <b>15,310</b> | <b>2,409</b> |

## Fitness Membership Monthly Reporting

|  | 2020    |         |         |         |         |         |         |         | 2021    |         |         |         |
|--|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
|  | May     | June    | July    | Aug     | Sept    | Oct     | Nov     | Dec     | Jan     | Feb     | Mar     | Apr     |
| Active Fitness Memberships - end of last month | 5,553   | 5,517   | 5,517   | 2,751   | 2,665   | 2,583   | 2,888   | 2,357   | 2,089   | 1,994   | 2,953   | 2,750   |
| Suspended (on Hold) Fitness Members            | n/a     | n/a     | 2,350   | 2,061   | 1,958   | 1,545   | 1,930   | 2,052   | 1,990   | 890     | 980     | 868     |
| New members                                    | -       | -       | -       | 55      | 77      | 73      | 48      | 29      | 41      | 86      | 120     | 90      |
| Cancellations                                  | -       | -       | 229     | 348     | 246     | 181     | 171     | 168     | 170     | 219     | 222     | 188     |
| Active Members - end of month                  | 5,517   | 5,517   | 2,751   | 2,665   | 2,583   | 2,888   | 2,357   | 2,089   | 1,994   | 2,953   | 2,750   | 2,763   |
| Net active members change - previous month     | (36)    | -       | (2766)  | (86)    | (82)    | 305     | (531)   | (268)   | (95)    | 959     | (203)   | 13      |
| Budget Membership                              | -       | -       | 806     | 1,344   | 2,688   | 2,688   | 4,031   | 4,031   | 4,031   | 5,375   | 5,375   | 5,375   |
| Difference from Budget                         | 5517    | 5517    | 1945    | 1321    | (105)   | 200     | (1674)  | (1942)  | (2037)  | (2422)  | (2625)  | (2612)  |
| Active Group X memberships                     | -       | -       | -       | 405     | 408     | 449     | 317     | 297     | 293     | 484     | 405     | 409     |
| Active Childcare memberships                   | -       | -       | -       | -       | -       | 28      | -       | -       | -       | -       | -       | -       |
| Student memberships                            | 2       | 2       | 18      | 32      | 52      | 69      | 104     | 133     | 88      | 93      | 109     | 130     |
| Avg Membership Rate (included GX and CC)       | \$43.27 | \$43.35 | \$43.52 | \$43.38 | \$43.11 | \$43.22 | \$43.24 | \$43.32 | \$43.41 | \$43.52 | \$43.58 | \$43.61 |
| <b>Usage Breakdown</b>                         |         |         |         |         |         |         |         |         |         |         |         |         |
| Total visits                                   | -       | 1,520   | 10,828  | 11,067  | 12,539  | 11,859  | 12,752  | 11,036  | 12,210  | 11,896  | 16,021  | 15,492  |
| Members  | -       | 1,520   | 10,828  | 11,067  | 12,539  | 11,859  | 12,752  | 11,036  | 12,210  | 11,896  | 16,021  | 15,492  |
| Daily paid visits                              | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       |
| Hotel Guests                                   | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       |
| Guests of members                              | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       |

Note: Due to the COVID-19 pandemic, the District closed down all facilities and cancelled all programming on 3/14/2020. Fitness re-opened on 6/29/2020 under COVID guidelines at 50% capacity and all members were given the option to put their membership on a no fee hold. Members were required to wear masks at all times in the facility. Capacity was reduced to 25% on 11/20/2020 and members had to make reservations. Capacity increased to 50% on 1/21/2021 with no reservations needed. Vaccinated members were allowed to workout without wearing masks beginning May 18, 2021. On 6/11/2021, 100% capacity allowed.

It is the financial goal of the Aquatic Center each year for season pass sales, daily use fees and concession revenue to cover operational expenditures for the year. The table below illustrates several performance measures that Park District management looks at each season in analyzing the operational success of the Aquatic Center. In addition to pass holder and daily use attendance and financial metrics, the Park District also tracks how the weather affects Aquatic Center operations and financial performance.

| Hunt Club Park Aquatic Center 10 Year Operating Metrics Comparison |         |           |         |         |         |         |         |         |         |         |
|--|---------|-----------|---------|---------|---------|---------|---------|---------|---------|---------|
|  | 2011    | 2012      | 2013    | 2014    | 2015    | 2016    | 2017    | 2018    | 2019    | 2021*   |
| Scheduled Operating Days   | 97      | 97        | 98      | 97      | 104     | 98      | 88      | 89      | 90      | 79      |
| Days Closed  | 11      | 3         | 16      | 12      | 15      | 3       | 8       | 10      | 10      | N/A     |
| Actual Operating Days  | 86      | 94        | 82      | 85      | 89      | 95      | 80      | 79      | 80      | N/A     |
| Days Partially Closed  | 10      | 11        | 20      | 25      | 24      | 17      | 16      | 10      | N/A     | N/A     |
| % of Days Open   | 88.7%   | 96.9%     | 83.7%   | 87.6%   | 85.6%   | 96.9%   | 90.9%   | 88.8%   | 88.9%   | N/A     |
| Available Operational Hours  | 810.00  | 833.50    | 839.00  | 825.50  | 842.00  | 810.00  | 647.00  | 635.00  | 635.00  | 565.00  |
| Actual Operational Hours   | 718.25  | 774.50    | 634.50  | 643.00  | 655.00  | 719.00  | 530.75  | 546.00  | 560.00  | N/A     |
| % of Time Open   | 88.7%   | 92.9%     | 75.6%   | 77.9%   | 77.8%   | 88.8%   | 82.0%   | 86.0%   | 88.2%   | N/A     |
| Avg. High Temp (in degrees F)                                      | 79.8    | 84.1      | 76.8    | 77.8    | 77.8    | 82.2    | 80.1    | 82.0    | 79.0    | N/A     |
| Avg. Time Closed for Day   | 8:06 PM | 7:43 PM   | 7:37 PM | 7:21 PM | 7:16 PM | 7:09 PM | 5:50 PM | 6:45 PM | N/A     | N/A     |
| <b>Daily Fees (Attendance)</b>                                     | 11,584  | 10,202    | 8,108   | 7,399   | 8,190   | 10,294  | 8,437   | 6,988   | 6,491   | 9,250   |
| <b>Guest Passes (Attendance)</b>                                   | 916     | 3,189     | 1,517   | 1,411   | 2,282   | 2,050   | 2,208   | 2,358   | 2,155   | 440     |
| <b>Prepaid (Attendance)</b>  |         |           |         | 974     | 1,873   | 1,435   | 331     | 3,193   | 5,529   | 5,500   |
| <b>Camp (Attendance)</b>   |         | 9,788,000 | 8,522   | 8,003   | 8,768   | 8,818   | 9,848   | 11,981  | 10,393  | 5,750   |
| <b>Pass Usage (Attendance)</b>                                     | 51,596  | 56,374    | 39,778  | 33,902  | 32,984  | 33,837  | 26,591  | 27,200  | 23,854  | 22,875  |
| <b>B-Days, Rentals, Ext. Camps (Attendance)</b>                    | 1,131   | 3,168     | 2,264   | 3,043   | 485     | 1,025   | 422     | 858     | 743     | 743     |
| <b>Total Attendance</b>  | 65,227  | 82,721    | 60,189  | 54,732  | 54,582  | 57,459  | 47,837  | 55,225  | 49,165  | 44,558  |
| <b>Average Daily Attendance</b>                                    | 758     | 880       | 734     | 644     | 613     | 605     | 598     | 699     | 615     | 564     |
| <b>Total # of Pass Holders</b>                                     | 5,876   | 5,775     | 5,148   | 4,514   | 3,990   | 3,739   | 3,585   | 3,529   | 3,262   | 3,050   |
| <b>Total # of Applications (Households)</b>                        | 1,915   | 1,981     | 1,769   | 1,540   | 1,364   | 1,274   | 1,236   | 1,253   | 1,144   | 1,060   |
| <b>Average Pass Holders per Household</b>                          | 3.1     | 2.9       | 2.9     | 2.9     | 2.9     | 2.9     | 2.9     | 2.8     | 2.9     | 2.9     |
| <b>Avg visit per pass holder, per season</b>                       | 8.8     | 9.8       | 7.7     | 7.5     | 8.3     | 9.0     | 7.4     | 7.7     | 7.3     | 7.5     |
| <b>Avg visit per household, per season</b>                         | 26.9    | 28.5      | 22.5    | 22.0    | 24.2    | 26.6    | 21.5    | 21.7    | 20.9    | 21.6    |
| <b>Resident Pass Holders</b>                                       | 3,406   | 3,208     | 2,944   | 2,579   | 2,372   | 2,069   | 1,878   | 1,715   | 1,585   | 1,500   |
| <b>Non-Resident Pass Holders</b>                                   | 2,470   | 2,434     | 2,204   | 1,935   | 1,618   | 1,670   | 1,707   | 1,814   | 1,677   | 1,550   |
| <b>% of Pass Holders - Resident</b>                                | 58.0%   | 55.5%     | 57.2%   | 57.1%   | 59.4%   | 55.3%   | 52.4%   | 48.6%   | 48.6%   | 49.2%   |
| <b>% of Pass Holders - Non-Resident</b>                            | 42.0%   | 42.1%     | 42.8%   | 42.9%   | 40.6%   | 44.7%   | 47.6%   | 51.4%   | 51.4%   | 50.8%   |
| <b>\$ per Operating Day - Admissions</b>                           | \$1,613 | \$1,378   | \$1,120 | \$1,155 | \$1,386 | \$1,214 | \$1,238 | \$1,919 | \$1,952 | \$2,547 |
| <b>\$ per Operating Day - Concessions</b>                          | \$1,024 | \$1,022   | \$875   | \$852   | \$822   | \$804   | \$922   | \$1,064 | \$940   | \$1,008 |
| <b>\$ per Operating Day - Other</b>                                | \$13    | \$9       | \$9     | \$5     | \$8     | \$7     | \$10    | \$17    | \$15    | \$19    |
| <b>\$ per Operating Day - Total Revenue</b>                        | \$6,939 | \$6,261   | \$6,139 | \$5,637 | \$5,165 | \$4,640 | \$5,311 | \$6,041 | \$5,929 | \$7,356 |
| <b>\$ from Admissions / Daily Fee Atten.</b>                       | \$11.98 | \$12.70   | \$11.33 | \$11.72 | \$12.26 | \$9.83  | \$11.29 | \$11.48 | \$12.95 | \$13.25 |
| <b>\$ from Camp Transfer / Camp Atten.</b>                         | -       | \$3.06    | \$3.52  | \$3.75  | \$3.99  | \$3.97  | \$4.32  | \$4.43  | \$5.11  | \$6.00  |
| <b>\$ from Season Pass Sales / Pass Atten</b>                      | \$8.10  | \$7.39    | \$9.31  | \$9.89  | \$8.71  | \$8.11  | \$9.73  | \$9.18  | \$9.53  | \$10.27 |
| <b>\$ from Concessions / Total Attendance</b>                      | \$1.35  | \$1.16    | \$1.19  | \$1.32  | \$1.34  | \$1.33  | \$1.54  | \$1.48  | \$1.53  | \$1.79  |
| <b>Total \$ / Total Attendance</b>                                 | \$9.15  | \$8.28    | \$9.56  | \$10.08 | \$9.76  | \$9.00  | \$10.42 | \$11.73 | \$9.63  | \$13.04 |

\*Due to the COVID-19 pandemic, the Aquatic Center did not open for the 2020 season. The 2021 column represents budget amounts.

The increase in Total \$ / Total Attendance budgeted for 2021 compared to the 2019 is mainly due to slight daily entry fee increases.

# General Operations

## GENERAL RESPONSIBILITIES:

The General Operations area is responsible for the management of the District's financial, human resources, management information systems, marketing and public information. The

General Operations area budget includes property tax receipts, grants, development impact fees and investment income. The area's expenditures include administration, operating and

support expenditures, the District's capital improvement/development plans, and expenditures associated with the site and construction funds, special revenue funds and debt service funds.

## GENERAL OPERATIONS - FUNDS:

- Corporate Fund (less Park Management expenditures)
- Site & Construction Fund
- Capital Replacement / Development Fund
- Audit Fund
- Paving and Lighting Fund
- Liability Insurance Fund
- IMRF Fund
- Social Security Fund
- Bond & Interest Fund
- Debt Service (Aquatic Center) Fund

## GENERAL OPERATIONS

The General Operations area manages the following:

### Administration

Develops, recommends and implements long range plans affecting the entire Park District. General Operations acts as

## General Operations Staff

**Executive Director** – Susie Kuruvilla, CPA, CPRP

**Operations Analyst** – Melissa Greenthal

**Director of Business Services** – Michael Szpylman, CPRE

**Business Services Specialist** – Kim McCormack

**IT Coordinator** – Fredrick Colón

**Human Resources Generalist** - Majeeda Purnell

**Accounts Payable Specialist** – Yesenia Cerda

**Director of Marketing & Community Relations** – Jennifer Gilbert

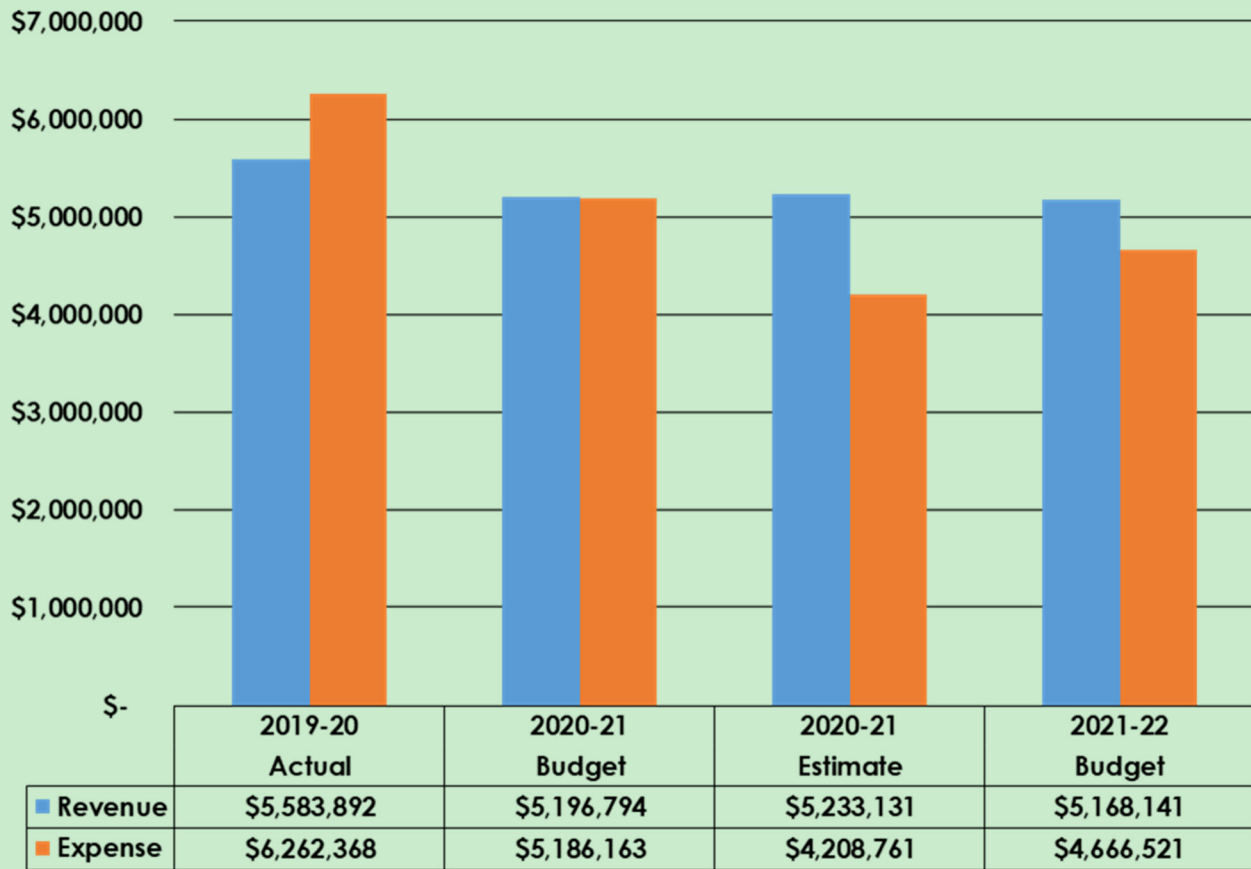
**Graphic Design and Brand Specialist** – Open

**Public Relations and Sponsorship Specialist** – Deanna Johann

|                     | 2020-21   | 2020-21      | 2021-22   |
|---------------------|-----------|--------------|-----------|
| Headcounts          | Budget    | Y/E Estimate | Proposed  |
| Full-Time Positions | 11        | 10           | 10        |
| Part-Time           | 1         | 2            | 2         |
| <b>Total</b>        | <b>12</b> | <b>12</b>    | <b>12</b> |

*In December of 2020, the fulltime Payroll Specialist retired. The position was changed to part-time after a workload analysis was completed.*

**Chart 6: General Operations**



**Chart 6 shows the Revenue and Expenditure actuals for 2019-20; Budgeted amounts for 2020-21, Estimates for 2020-21; and budgeted amounts for 2021-22 (Less transfers)**

primary liaison with the elected Board of Commissioners in setting priorities. Administration prepares, maintains and files Park District records.

**Employee Benefits Administration**

Administration develops, implements and communicates benefit programs and policies including health and life

insurance, workers' compensation, retirement plans, employee assistance, employee recognition, unemployment insurance, supplemental retirement compensation, sick and vacation time.

**Salary Administration**

Administration develops and

administers the compensation management programs for fulltime exempt and non-exempt personnel; researches, develops and implements wage and salary modifications in policy; researches and implements part-time wage schedules; preparation of bi-weekly payroll and all required

## GENERAL OPERATIONS

government payroll reports; monitors documented time for compliance with the Fair Labor Standards Act and other essential internal controls.

### **Personnel Policies and Procedures Administration**

Human Resources develop, implement and communicate personnel policies and procedures to all Gurnee Park District staff.

### **Insurance Program**

Administration represents the District on the Membership Assembly of the Park District Risk Management Agency (PDRMA) managing property, liability, workers' compensation, employment practices and unemployment insurance.

### **Central Support Functions**

Responsible for overall management of the District's telephone communications and voice mail systems, the District's central office supplies purchasing, and the District's photocopier purchases and maintenance agreements. The General Operations area collects, sorts and posts all first class mail and packages and

distributes correspondence and U.S. mail to six locations throughout the District.

### **Marketing and Public Relations**

The Marketing Department is responsible for administration, organization, development and distribution of public information, media releases, public relations, Park District website, and assists in developing marketing and promotional strategies for the Park District. The marketing department is also the Park District's in-house advertising and promotion team. They also pursue outside revenue sources in the form of advertising in the brochure as well as securing sponsorships for Park District special events.

## **FINANCE**

Finance is responsible for all aspects of accounting, finance and record keeping for the Park District.

### **Budget Preparation**

Coordinates annual budget process, three-year capital improvement plan and reports progress to the Board through monthly and quarterly financial

reports. Staff tracks all capital projects from planning stage through project closeout and asset posting. Finance is also responsible for the preparation of the district's Truth-In-Taxation Resolution, Tax Levy, Budget and Appropriation and Bonding Ordinances.

### **Audit Program**

Finance staff prepares the preliminary audit schedules for the independent public accountant firm.

### **Cash Management**

Implements effective control of receipts and disbursements, reviews and monitors debt management procedures, protects cash and assets through sound internal controls, and invests surplus funds to earn a market rate of return and ensures the preservation of capital.

### **Records Management**

Organizes, controls and safeguards/or discards district's records in compliance with the Local Government Records Act.

### **Management Information**

### **Systems Maintenance**

Maintains all centralized

computer hardware, coordinates software purchases and software development, and maintains a secure computer environment with reliable, usable data.

Performs in-house and coordinates external computer training on the District's computer applications.

## 2020-21 Accomplishments

With the uncertainty caused by the impact of COVID-19 on operations, the main financial goal for fiscal year 2020-21 was to remain above the combined fund balance targets for the two main operating funds, Corporate and Recreation. While the District will not be able to remain above the fund target in the Recreation Fund because of the negative pandemic impact on programming, the District will be able to bring the fund balance up to the target level by directing money from the Corporate Fund which can remain comfortably above the fund balance target through expenditure control. As of March 31, 2021 the Corporate and Recreation Funds combined fund balances are \$245,411 above target.

## 2021-22 Goals

### Theme #1-Diversity, Equity and Inclusion

1. Develop a Diversity, Equity, Inclusion Committee and have them develop a DEI Plan.
2. Develop updated recruitment policy and procedures.
3. Develop a workforce development program to attract young individuals to the field of park and recreation.
4. Develop a "work life balance" policy and associated procedures.

### Theme #2 - Enhance Relationships with Community via the Parks

1. Develop a social engagement series to solicit feedback from park neighbors by hosting "Coffee with a Director" meetings.

### Theme #3 - Reinvent the Park District

1. Implement Human Resources Information Software to greatly enhance the efficiency of the onboarding process and other HR functions.
2. Ensure budgeted net results are met in the Corporate and Recreation Funds.
3. Create 5 year financial forecast and present to Board.
4. Upgrade wifi at Hunt Club Park Community Center.
5. Implement advanced phone system capabilities that enhance Park District operations.
6. Upgrade SAN and main switch at Viking Park Community Center.
7. Analyze department workload and determine staff needs as we come out of COVID.
8. Create Marketing Plan to create 6-10 campaigns focused on new member acquisition.
9. Create referral program for FitNation members as acquisition tool.
10. Increase participation in GO programming through effective marketing campaigns and PR/communications.
11. Create Matrix for Marketing Support for Recreation (based on program areas), Parks and agency efforts.
12. Analyze and offer new solution for Program Guide print/digital.
13. Cover special event expenses through sponsorship.

## MAJOR BUDGET CHANGES

### REVENUE

Revenue is budgeted to decrease \$64,990 or 1% from 2020-21 year end estimates. In fiscal year 20-21, the District received \$25,000 in CARES Act funding into the Corporate Fund as well as \$13,000 in health insurance net position returned from the provider. Neither of these amounts are included in the 2021-22 budget. Also, the 2021-22 budget includes a small allocation reduction for property taxes received in the Corporate Fund.

### Tax Receipts

Tax Receipts are budgeted to decrease by 1% to \$4,195,071. The decrease is mainly attributed to a small allocation reduction for property taxes received in the Corporate Fund compared to the 2019 tax levy received in fiscal year 2020-2021.

### Bond Proceeds

Bond proceeds are budgeted to decrease \$3,360 (less than 1%) in 2021-22 compared to 2020-21 year end estimate due to the more conservative interest rate used to estimate the Park District

annual rollover bond proceeds to be received in 2021-22. The interest rate on the annual rollover bonds for the 2020-21 fiscal year was favorably low. The principal and interest are both counted towards the District's annual Debt Service Extension Base, so the lower the interest rate, the more principal available toward bond proceeds.

### Grants / Intergovernmental

This revenue line represents the payment from the Village of Gurnee for the Hunt Club Park Aquatic Center annual debt service payment. The final payment from the Village was received in 2019-20 for the final bond payment due in fiscal year 2020-21.

### Interest Income

Interest income is budgeted \$17,966 or higher than 2020-21 year end estimates. The increased budget amount accounts for slightly higher interest rates due to the COVID-19 pandemic recovery as well as slightly higher balances in the capital funds .

### Donations and Miscellaneous

Donations and Miscellaneous are budgeted to decrease \$46,347 or 81% in 2021-22 compared to 2020-21 year end estimates. In fiscal year 20-21, the District received \$25,000 in CARES Act funding into the Corporate Fund as well as \$13,000 in health insurance net position returned from the provider. Neither of these amounts are included in the 2021-22 budget.

### EXPENDITURES

#### Salaries and Benefits

Salaries and benefits are budgeted \$236,874 or 21% higher than 2020-2021 year-end estimates. General operations includes the Illinois Municipal Retirement Fund and the Social Security Fund which are the funds used to pay pension and payroll taxes. As the Park District is able to get back to more normal operations and offer more recreation programming during the COVID-19 pandemic recovery, the District overall payroll will increase which will result in increased pension and payroll tax costs.

**Contractual Services**

A \$102,132 (28%) increase from 2020-21 estimates is budgeted. The increase is mainly due to budgeting liability, property and workers' compensation insurance costs at more normal operations levels as well as slight increases in some administrative costs needed to support the District as operations grow out of pandemic conditions.

**Supplies**

The proposed budget is \$11,197 more than 2020-21 estimates to reflect increased administrative cost needed to support the District as operations grow out of pandemic conditions.

**Capital Outlay**

Budgeted capital outlay is 504,257 higher than 2020-21 year end estimates. Details of the District's Capital Outlay can be found in Appendix A.

**Debt Service**

The proposed budget is \$449,152 (23%) lower than 2020-21 year end estimates as planned in the debt service repayment schedules. The last payment for the Hunt Club Park Aquatic

Center bonds were paid in fiscal year 2020-21. FitNation bond payments are budgeted to be paid out of recreation operations using fitness operations revenue.

**Other**

Other expenditures are budgeted \$52,453 higher than 2020-21 year end estimates. Other expenditures include items such as bank charges, travel expenditures, training and recruitment expenditures, staff recognition and marketing. The budget increase reflects administrative costs needed to support the District as operations grow out of pandemic conditions.

**Overall**

Total revenues are budgeted to decrease 1% in 2021-22 compared to the 2020-21 year end estimates mainly due to COVID-19 relief payments received in fiscal year 2020-21 that are not included in the 2021-22 budget. Tax receipts account for 81% of total revenue in General Operations which is expected to decrease slightly compared to the previous year

due to a slight tax levy allocation. Total expenditures are budgeted to increase 11% compared to the 2020-21 year end estimates with majority of the increase a direct result of the Park District operations beginning to recover from the COVID-19 pandemic and the administrative support needed during the recovery.



**Gurnee Park District**  
Annual Budget Summary  
Fiscal Year 2021-22

| <b>General Operations</b>      | <b>2019-20<br/>Actual</b> | <b>2020-21<br/>Budget</b> | <b>2020-21<br/>Estimate</b> | <b>2021-22<br/>Budget</b> | <b>Budget vs.<br/>Current Year<br/>Estimate</b> |
|--------------------------------|---------------------------|---------------------------|-----------------------------|---------------------------|---|
| Tax Receipts                   | 4,180,649                 | 4,228,985                 | 4,228,321                   | 4,195,071                 | (33,249)  |
| Fees & Charges                 | -                         | -                         | -                           | -                         | -   |
| Bond Proceeds                  | 942,140                   | 894,000                   | 930,360                     | 927,000                   | (3,360)   |
| Grants / Intergovernmental     | 251,813                   | -                         | -                           | -                         | -   |
| Investment Income              | 171,506                   | 64,158                    | 17,504                      | 35,470                    | 17,966  |
| Donations & Miscellaneous      | 37,785                    | 9,650                     | 56,947                      | 10,600                    | (46,347)  |
| <b>Total Revenue*</b>          | <b>\$ 5,583,892</b>       | <b>\$ 5,196,794</b>       | <b>\$ 5,233,131</b>         | <b>\$ 5,168,141</b>       | <b>\$ (64,990)</b>                              |
| Salaries & Benefits            | 1,208,990                 | 1,559,978                 | 1,136,055                   | 1,372,929                 | 236,874   |
| Contractual Services           | 427,907                   | 417,854                   | 363,256                     | 465,388                   | 102,132   |
| Supplies                       | 13,227                    | 9,150                     | 4,303                       | 15,500                    | 11,197  |
| Intergovernmental - WSRA       | -                         | -                         | -                           | -                         | -   |
| Capital Outlay                 | 2,581,039                 | 1,155,619                 | 685,568                     | 1,189,825                 | 504,257   |
| Debt Service                   | 1,963,892                 | 1,986,962                 | 1,986,962                   | 1,537,810                 | (449,152)                                       |
| Other                          | 67,312                    | 56,600                    | 32,617                      | 85,070                    | 52,453  |
| <b>Total Expenditures**</b>    | <b>\$ 6,262,368</b>       | <b>\$ 5,186,163</b>       | <b>\$ 4,208,761</b>         | <b>\$ 4,666,521</b>       | <b>\$ 457,760</b>                               |
| <b>Net Surplus / (Deficit)</b> | <b>\$ (678,475)</b>       | <b>\$ 10,631</b>          | <b>\$ 1,024,370</b>         | <b>\$ 501,620</b>         | <b>\$ (522,750)</b>                             |

\* Total Revenue does not include transfers between funds (\$383,000 in 2021-22; \$0 in 2020-21; \$358,000 in 2019-20)

\*\* Total Expenditures do not include transfers between funds (\$0 in 2021-22; \$800,000 in 2020-21; \$0 in 2019-20)

# Parks Management

## Parks Management Staff

**Director of Parks & Planning** – Kraig Owens, CPRP

**Construction & Risk Management Supervisor** – Open

**Grounds Team Specialist (Sports Fields)** – Mike Skender

**Playground & Construction Team Specialist** – Justin DePauw

**Grounds/Playground/Construction Team Member** - Jordan Kibitlewski

**Grounds/Playground/Construction Team Member** - Ryan Rikje

**Parks & Grounds Operations Supervisor** – Steve Becker, CPRP

**Grounds Team Member (Horticulturist)** - Katie Cook

**Grounds Team Member** – Carlos Arenas

**Grounds Team Member** – Aldo Rogel

**Grounds Team Member** - Justin Lukowicz

**Facility Maintenance Supervisor** – Sarah Sinclair

**Facility Maintenance Custodian** – Joaquin Herrera

**Facility Team Member** - Leonardo Colin

**Facility Team Member** - George Bettasso

**Facility Team Member** - Tomas Perez

**Mechanic** – Tom Schneider

**Grounds & Equipment Operations Assistant** – Kelly Petersen

**Facility Operations**

**General Tradesman** – Dan Weber

**General Tradesman** - Chris Carlson

**General Tradesman** - Steve LeBron

## General Responsibilities:

The Parks Management area is responsible for the maintenance and upkeep of all the Park District's buildings, parks, playgrounds, trails, and open spaces. Additionally, they maintain all Park District vehicles and equipment. They are also responsible for safety and the management of risk. The Parks Management budget does not include any revenue as this area is 100% subsidized by other Park District operations. Budgeted expenditures include salaries and benefits of parks maintenance personnel; building, equipment, and grounds maintenance services; utilities; building, equipment, and grounds supplies; and risk management supplies.

## PARKS MANAGEMENT – FUNDS:

- Corporate Fund (Parks Management expenditures)
- Recreation Fund (Parks Management expenditures)

| Headcounts          | 2020-21 Budget | 2020-21 Y/E Estimate | 2021-22 Proposed |
|---------------------|----------------|----------------------|------------------|
| Full-Time Positions | 21             | 20                   | 21               |
| Part-Time           | 15             | 11                   | 15               |
| Seasonal            | 6              | 6                    | 10               |
| <b>Total</b>        | <b>42</b>      | <b>37</b>            | <b>46</b>        |

In 2020-21 an existing fulltime employee was promoted to the Director of Parks and Planning. The position vacated by the promoted employee will remain vacant during the pandemic recovery. The increase in seasonal staff is due to the increase of summer programming creating an increased need for park services.

**Chart 7: Parks Management**



**Chart 7 shows the Expenditure actuals for 2019-20; Budgeted amounts for 2020-21, Estimates for 2020-21; and budgeted amounts for 2021-22**

**PARKS MANAGEMENT**

THE PARKS MANAGEMENT AREA MANAGES THE FOLLOWING:

**Landscape Maintenance**

General maintenance and upkeep of all District grounds, turf,

trees, shrubs and landscape areas and turf maintenance of the Village-owned Esper Petersen Park. This includes planting of new landscaped areas such as park renovations. Athletic field repair

maintenance prepares, renovates and repairs baseball, softball and soccer fields. The Park District has a field maintenance agreement with Gurnee Youth Baseball to maintain the fields used by this

group.

### **Facility Maintenance**

The Parks Management area repairs and monitors operations of buildings and facilities in the areas of electrical, heating, air conditioning and plumbing. This includes the installation, remodeling and additions to facilities, such as minor building improvements, and renovation of park playgrounds. Parks Management is responsible for construction and replacement of park regulatory and control signage throughout District areas and facilities.

### **Mechanical Maintenance**

Mechanical Maintenance includes the major repairs to, and the selection and replacement of all District vehicles, equipment and other mechanical inventory.

### **Risk Management**

Risk Management coordinates the District-wide loss reduction programs in cooperation with the Park District Risk Management Agency (PDRMA). This includes employee on-the-job safety through education, training, physical assessment and

## **2021-22 Goals**

### **Theme #1-Diversity, Equity and Inclusion**

1. Install cricket pitch at Viking Park Annex property.

### **Theme #2 - Enhance Relationships with Community via the Parks**

1. Shelter Improvements - Updating restroom amenities at Viking, Betty Russell and O'Plaine Parks.
2. Install Timberwoods 5-12yro playground structure (by contractor) and parking lot improvements.
3. Develop a social engagement series to solicit feedback from park neighbors by hosting "Coffee with a Director" meetings.
4. Re-purpose planting beds inside of Mother Rudd Barn foundation to be used as vegetable gardens maintained by Summer Camp participants.
5. Develop a Comprehensive Parks Standard of Care Manual and Annual Calendar.
6. Develop "Connecting Community to Nature" programming series feature guided and independent programming.

### **Theme #3 - Reinvent the Park District**

1. Fully integrate all MainTrac applications to improve efficiencies within the Parks Department and assist with short/long term planning.
2. Fully Integrate MSDSONline.com so that all employees have internet based access to Safety Data Sheets.
3. Create a master preventative maintenance schedule/calendar for all facilities. Included in plan HVAC, plumbing, fire safety, electric and machine operated systems.

**Gurnee Park District**  
Annual Budget Summary  
Fiscal Year 2021-22

| <b><u>Parks Management</u></b> | <b>2019-20<br/>Actual</b> | <b>2020-21<br/>Budget</b> | <b>2020-21<br/>Estimate</b> | <b>2021-22<br/>Budget</b> | <b>Budget vs.<br/>Current Year<br/>Estimate</b> |
|--------------------------------|---------------------------|---------------------------|-----------------------------|---------------------------|---|
| Tax Receipts                   | -                         | -                         | -                           | -                         | -   |
| Fees & Charges                 | -                         | -                         | -                           | -                         | -   |
| Bond Proceeds                  | -                         | -                         | -                           | -                         | -   |
| Grants / Intergovernmental     | -                         | -                         | -                           | -                         | -   |
| Investment Income              | -                         | -                         | -                           | -                         | -   |
| Donations & Miscellaneous      | -                         | -                         | -                           | -                         | -   |
| <b>Total Revenue</b>           | <b>\$ -</b>               | <b>\$ -</b>               | <b>\$ -</b>                 | <b>\$ -</b>               | <b>\$ -</b>                                     |
| Salaries & Benefits            | 1,625,572                 | 1,527,842                 | 1,435,756                   | 1,614,132                 | 178,377   |
| Contractual Services           | 231,732                   | 245,668                   | 230,391                     | 274,800                   | 44,409  |
| Supplies                       | 301,836                   | 290,300                   | 275,671                     | 326,600                   | 50,929  |
| Intergovernmental - WSRA       | -                         | -                         | -                           | -                         | -   |
| Capital Outlay                 | 28,366                    | 10,000                    | 10,000                      | 34,000                    | 24,000  |
| Debt Service                   | -                         | -                         | -                           | -                         | -   |
| Other                          | 82,153                    | 49,000                    | 66,789                      | 82,000                    | 15,211  |
| <b>Total Expenditures</b>      | <b>\$ 2,269,659</b>       | <b>\$ 2,122,809</b>       | <b>\$ 2,018,606</b>         | <b>\$ 2,331,532</b>       | <b>\$ 312,926</b>                               |
| <b>Net Surplus / (Deficit)</b> | <b>\$(2,269,659)</b>      | <b>\$(2,122,809)</b>      | <b>\$(2,018,606)</b>        | <b>\$(2,331,532)</b>      | <b>\$ (312,926)</b>                             |

accident prevention.

**Specialty Maintenance**

Specialty Maintenance includes pest / vegetation control, wetlands maintenance, snow removal, outdoor ice rinks and special event support.

**2020-21 Accomplishments**

There was so much uncertainty with the COVID-19 pandemic, it was not practical to set detailed goals and objectives for the 2020-21 fiscal year. During the pandemic, Park District outdoor space and recreation offerings such as playgrounds and trails became an extremely popular outlet for community members. The District is very proud of these amenities available to the community.

**MAJOR BUDGET CHANGES**

**EXPENDITURES**

**Salaries & Benefits**

Salaries and benefits are budgeted \$178,377 higher than 2020-21 year end estimates which represents a 12% increase. The increase in budget is due the COVID-19 pandemic recovery. During the majority of the 2020-21 fiscal year, the Park District's two

main community centers were closed to the public. This greatly decreased the need for facility team member services. Parks management was focused mostly on outdoor spaces and handled almost entirely by fulltime staff drastically reducing the part-time and seasonal employee need. The 2021-22 budget assumes the opening of both community centers as well as the Hunt Club Park Aquatic Center for the season. This will increase the need for part-time and seasonal employees in the Parks Management area.

**Contractual Services**

Contractual services are budgeted \$44,409 (19%) over 2020-21 estimates. The budget increase reflects the increased need for Park Management services as the District offers more programming and other services.

**Supplies**

Supplies are budgeted \$50,929 (18%) higher than 2020-21 estimates. The budget increase reflects the increased need for Park Management services as the District offers more

programming and other services.

**Capital Outlay**

Capital Outlay is budgeted with a \$24,000 increase compared to the 2020-21 year end estimates. With the pandemic recovery expected, certain Park Management equipment purchases are necessary to provide required services.

**Other**

Other expenditures are budgeted \$15,211 higher than prior year end estimates to account for the increased need of Park Management services.

**Overall**

The total Park Management budget is \$312,926 (16%) higher than the 2020-21 estimates. Expenditures are budgeted to allow for proper maintenance of parks, trails and facilities. There are no revenues that come directly into the Parks Management Area. Parks Management is responsible for maintaining the parks and facilities of the District. The funds available for the expenditures from this area are received through the General Operations area and the Recreation area.

## Recreation

### General Responsibilities:

The Recreation area is responsible for programming areas that include Athletics, Youth Recreation, Pre-school, Day Camp, Crafts, Aquatics and Dance. Additionally, they are responsible for programming fitness activities as well as managing fitness center operations. The Recreation area is also responsible for planning and holding many special events throughout the year and oversees the rental of Park District facilities such as the Viking Park Dance Hall and Summer Kitchen. Operations of the Hunt Club Park Aquatic Center is also in the Recreation area.

### Recreation – Funds Included:

- Recreation Fund (less Park Management expenditures)
- Recreation for Handicapped

### Recreation Staff

**Director of Recreation** – Michael Wick, CPRP

**Manager of Recreation and Facility Services (Viking Park)** – Open

**Manager of Recreation and Facility Services (HCPCC)** – Sue McDougle, CPRP

**Youth Recreation Supervisor** – Sabrina Hinkens

**Camp / CARE Site Director** – Tracy Paulsen

**Camp / CARE Site Director** – Debbie Kowalczyk

**Customer Experience Supervisor** – Caitlin Deptula

**Membership Services Supervisor** – Omayra Shofner

**Aquatics Manager** – Diane DeLorenzo

**Athletics Supervisor** – Chris Marzano, CPRP

| Headcounts          | 2020-21 Budget | 2020-21 Y/E Estimate | 2021-22 Proposed |
|---------------------|----------------|----------------------|------------------|
| Full-Time Positions | 12             | 10                   | 10               |
| Part-Time           | 100            | 82                   | 108              |
| Seasonal            | 49             | 34                   | 154              |
| <b>Total</b>        | <b>161</b>     | <b>126</b>           | <b>272</b>       |

During 2020-21 there were two fulltime position retirements that were converted to part-time positions after workload analysis. In 2021-22, The Park District recreation offerings are expected to greatly increase from 2020-21 which will result in the need for increased part-time and seasonal employees.

**Chart 8: Recreation**

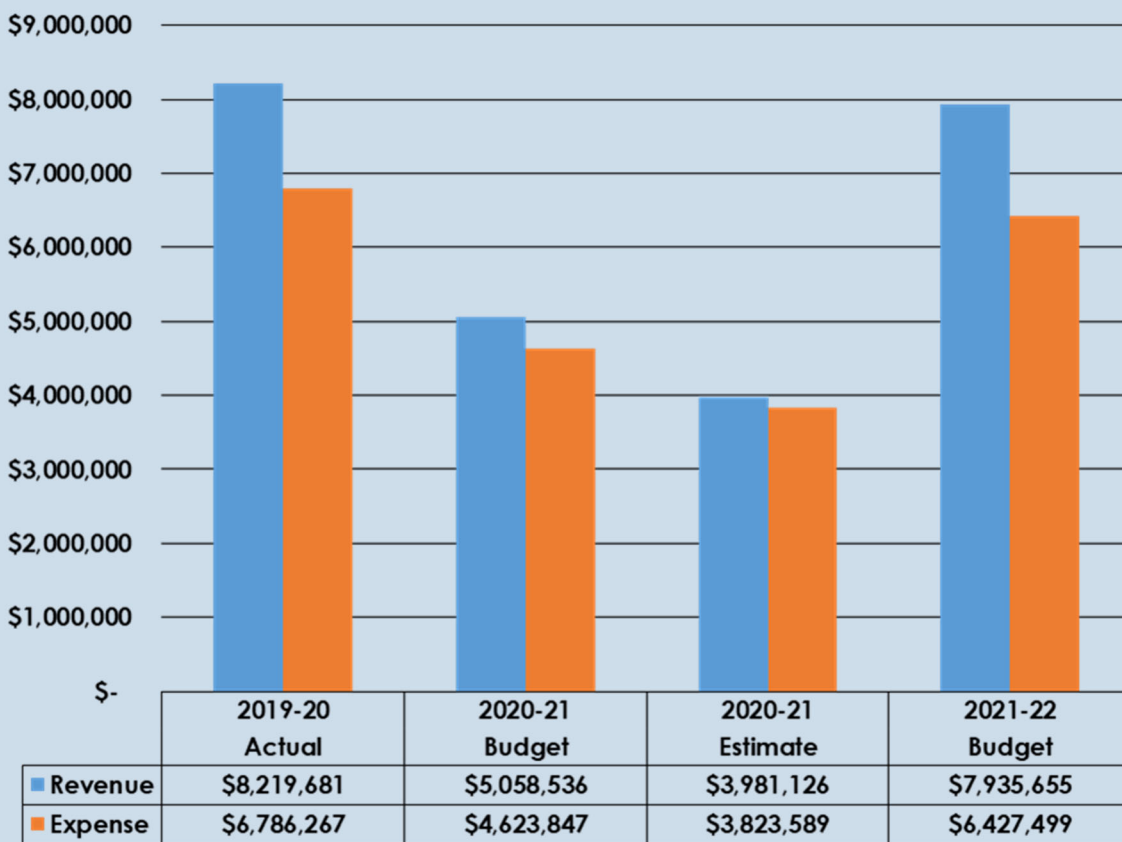


Chart 8 shows the Revenue and Expenditure actuals for 2019-20; Budgeted amounts for 2020-21, Estimates for 2020-21; and Budgeted amounts for 2021-22 (Less transfers)

**THE RECREATION AREA MANAGES THE FOLLOWING:**

**Recreation Administration**

Recreation Administration provides overall support and

direction to recreation programs and services for each age, ability and interest represented in our community. Provides leadership for the

development and maintenance of sponsorships and partnerships and oversees the promotion and distribution of information regarding the district's programs,



services and leisure opportunities.

### **Fitness Center Operations**

The Gurnee Park District operates a 75,000 square foot fitness center known as FitNation as well as a 4,000 square foot fitness center at the Hunt Club Park Community Center. The Recreation area manages the Fitness Center including keeping up-to-date on members' fitness needs, keeping the equipment clean and in good repair, managing memberships and overseeing group exercise classes and the personal training program.

### **Athletics**

The Park District offers many different athletic programs including youth basketball, soccer, softball, golf lessons, baseball camps, volleyball, t-ball, gymnastics and martial arts. Athletic programs are offered year round to virtually all age groups.

### **Youth Recreation**

The Recreation area oversees Youth Recreation programs that include before and after school day care and days off programs.

Additionally, Youth Recreation programs include children's workshops geared towards science, music, art and theatre.

### **Preschool**

The Gurnee Park District Growing Tree Preschool program encompasses all of the State of Illinois Early Learning areas in a kindergarten-readiness curriculum. Preschool is offered at both the Viking Park Community Center and the Hunt Club Park Community Center.

### **Day Camp**

The Park District offers a wide range of summer camp programs at both Viking Park and Hunt Club Park. Camps include regular day camp, half day camp, sports camp, outdoor survivor camp, mini camp, early childhood camp and teen camp. The Day Camp program also provides significant summer employment for area teenagers and excellent volunteer opportunities for younger teenagers and pre-teens.

### **Adult Recreation**

The Park District offers many

programs geared towards adult hobbies and interests. These include crafts, dance, cooking, trips and floral workshops.

### **Dance**

The Park District offers a wide variety of studio dance classes including tiny dancers, beginning dance, ballet, jazz, tap, modern and hip-hop. In addition, dance camps and clinics are also offered.

### **Aquatics**

The Park District offers many different aquatics opportunities to its patrons. Swim lessons are offered to many different age groups in addition to junior lifeguard classes, scuba, open swim times and aquatic fitness programs. Additionally, the Warren Blue Devil Swim Club is an affiliate of the Park District.

### **Monthly Mixer**

The Park District provides seniors a reduced price luncheon with entertainment on a monthly basis.

### **Special Events**

Throughout the year, the Park District offers several different special events. These events

include various holiday festivals, a winter celebration, summer concerts and in 2018 our 50th anniversary celebration. Additionally, the Park District hosts and is deeply involved with the planning of the community wide Gurnee Days festival.

### **Facility Rentals**

The Park District has many facilities available for rent. These include the Viking Park Dance Hall, the Summer Kitchen and various picnic shelters Park District-wide.

### **Aquatic Center Operations**

The Aquatic Center is an award winning facility with numerous amenities including a zero depth entry for swimmers, numerous exciting slides, cascading waterfall, large activity pool, concessions, sand volleyball courts and a spray ground. The Aquatic Center staff manages all these areas providing patrons with an inviting, clean and safe aquatic facility.

### **2020-21 Accomplishments**

There was so much uncertainty with the COVID-19 pandemic, it was not practical to set detailed goals and objectives for the 2020-21 fiscal year. The Leadership Team worked extremely hard to offer recreation programming and fitness opportunities to the residents and customers of the Gurnee Park District while safely operating within the State COVID guidelines.

## **2021-22 Goals**

### **Theme #1-Diversity, Equity and Inclusion**

1. Expand diverse dance class offerings.
2. Create versatile curriculum in performing arts.
3. Introduce the community to three lesser known sports through demo or clinic days/events (Ex - Rugby, Cricket, Broomball or Fencing).
4. Improve the CARE program experience through enhancing participant relationships.
5. Offer Esports events.
6. Reengage our community partners and offer corporate membership.
7. Develop two preschool curriculum diversity units including literature, art, math and science.

### **Theme #2 - Enhance Relationships with Community via the Parks**

1. Plan and execute a Night in the Park program (1-2 events) to engage families/adults in the community.
2. Celebrate Earth Day/Park Beautification annually. Provide volunteer outlet for community and engage staff to participate.
3. Collaborate with WNPL-Expand Story Walks to 3 annually and offer Outdoor Family Storytime at Betty Russell Park- 7 dates.
4. Expand our sport programs to be held at 3 neighborhood parks (Ex - Westgate, Vineyard & Ravinia).
5. Create and implement two Preschool in the Park programs for summer 2022.

**Theme #3 - Reinvent the Park District**

1. Offer 2 outdoor movie options-fee based.
2. Continue to offer successful passive/virtual programs/events- Santa's Calls, Big Tree Hunt, Fishing Derby and Twas the Lights Before Christmas (4 passive/virtual events).
3. Establish and document a consistent Recreation Department survey method and process.
4. Enhance the registration process.
5. Increase adult pickleball programs by offering a summer league and two tournaments in addition to year round instructional classes.
6. Purchase & set up use of coaching app, MOJO Sports, to be used for our 3 sport league's (Soccer, basketball & T-Ball) volunteer coaches.
7. Operate the Aquatic Center at a break even margin for the summer of 2021.
8. Restart the GPD swim school in September of 2021 and increase participation back to Pre-COVID membership number of 350.
9. Create annual recreation report.
10. Investigate the need for capacity counting program district wide.
11. Establish a consistent training process for all front desk staff.
12. Meet budgeted fitness membership.
13. Close on 75% of the potential members that enter the building inquiring about membership.
14. Implement an app or virtual sign-in process for camp/CARE/preschool.
15. Determine DCFS licensing standards.
16. Implement portfolio and point capabilities of Class Dojo for all age levels.
17. Analyze scholarship process.

## MAJOR BUDGET CHANGES

### REVENUE

Total revenue is budgeted to increase by \$3,954,529 (99%) compared to 2020-21 year end estimates. The COVID-19 pandemic has had the biggest negative impact on recreation programming at the Park District. With the expected COVID-19 recovery expected to take place most of fiscal year 2021-22, Management expects to see recreation programming and fitness membership levels to increase toward pre-pandemic levels through the fiscal year.

### Tax Receipts

Tax Receipts are budgeted to increase by \$158,063 (9%) to \$1,913,111 which is due to the increase in CPI, a slight increase in the District's EAV as well as an increase in tax levy allocation to the Recreation Fund.

### Fees and Charges

There is a budgeted increase in fees and charges of just over \$3.9 million 2020-21 year end estimates. Revenue from fees and charges consists of recreation program revenue, fitness center operations revenue

and aquatic center operations revenue. With the expected pandemic recovery underway, fees and charges are budgeted to account for 75% of total Recreation Fund revenue in 2021-22. Fees and charges for services revenue is budgeted to increase 191% compared to 2020-21 year end estimates, however is budgeted at 81% of 2018-19 year end actual revenue which was the last fiscal year not affected by the COVID-19 pandemic. Fitness operations accounts for \$2.7 million in budgeted revenue for the Park District, which is more than double current fiscal year end projections which were dramatically affected by the pandemic, and is 90% of the total 2018-19 fiscal year fitness operations revenue. Revenue from aquatic center operations is budgeted at a 6% increase compared to the 2019 season (the aquatic center was closed in 2020). The budgeted revenue increase for the 2021 season is mainly due to a slight increase in daily fees.

### Interest Income

Interest income is budgeted to

increase \$3,708 compared to 2020-21 year end estimates. The increased budget amount is due to higher expected revenue generated from increased recreation programming, fitness operations and aquatic center operations.

### Donations and Miscellaneous

Donations and Miscellaneous revenue is budgeted to decrease \$101,090 or 55% compared to 2020-21 year end estimates. In fiscal year 20-21, the District received \$89,356 in CARES Act funding into the Recreation Fund. There is no COVID-19 relief dollars included in the 2021-22 budget.

### EXPENDITURES

#### Salaries & Benefits

Salaries and benefits are budgeted \$1,378,306 higher than 2020-21 year end estimates which represents a 66% increase. The increase in salaries and benefits is entirely due to the COVID-19 pandemic recovery giving the Park District the ability to offer more programming. For example, it is planned for the Hunt Club Park Aquatic Center to be open in

2021 as well as the District's successful day camp and other seasonal programming are expected to return closer to normal participation levels.

### **Contractual Services**

A \$393,237 (77%) increase in contractual services over 2020-21 estimates is due to 3rd party contractual recreation program expenditures increased based on COVID-19 recovery increased programming.

### **Supplies**

The proposed budget is \$326,993 higher than 2020-21 estimates due to increased recreation program offerings.

### **Intergovernmental - WSRA**

The proposed budget is increased \$54,359 (15%) from the 2020-21 year end estimates. The Gurnee Park District contributes 75% of its Recreation for Handicapped tax levy to the Warren Special Recreation Association. The Park District also reimburses WSRA for WSRA staff needed for inclusion services during recreation programs. The increase in overall intergovernmental expenditures is due solely to anticipated

increased need of staff inclusion services based on increased programming.

### **Capital Outlay**

Capital Outlay is \$87,475 higher than the 2020-21 year end estimate. With the pandemic recovery expected, certain equipment purchases are necessary to provide programming.

### **Debt Service**

The proposed budget is \$75,000 higher than prior year end estimates to account for the FitNation bonds repayment schedule. The transfer for future FitNation bond payments included in the operating budget is reduced accordingly. All bonds used for the purchase and rehabilitation of the FitNation facility as well as the fitness operations portion of the Hunt Club Park Community Center bonds are paid directly out of revenue generated from fitness operations.

### **Other**

The proposed budget is \$288,541 higher than 2020-21 estimates due to increased recreation program offerings.

In addition to marketing and banking fees, expenditures classified as "other" include items such as travel expenditures, training and recruitment expenditures, staff recognition and scholarships.

### **Overall -**

Total revenue is budgeted to increase by \$3,954,529 (99%) compared to 2020-21 year end estimates due to increased recreation programming with the COVID-19 recovery. Total budgeted expenditures are \$2,603,910 (68%) higher than 2020-21 year end estimates to account for offering increased recreation programming. Total net results for the Recreation area are budgeted \$1.35 million higher compared to 2020-21 year end estimates.

Management believes the worst of the COVID-19 pandemic is behind us and recovery will occur during the upcoming year. This will enable the Park District to greatly enhance recreation program offerings compared to 2020-21 and approach normal operating conditions.

**Gurnee Park District**  
Annual Budget Summary  
Fiscal Year 2021-22

| <u>Recreation</u>          |                           |                           |                             |                           | <b>Budget vs.<br/>Current Year<br/>Estimate</b> |
|----------------------------|---------------------------|---------------------------|-----------------------------|---------------------------|---|
|                            | <b>2019-20<br/>Actual</b> | <b>2020-21<br/>Budget</b> | <b>2020-21<br/>Estimate</b> | <b>2021-22<br/>Budget</b> |   |
| Tax Receipts               | 1,674,203                 | 1,737,635                 | 1,755,048                   | 1,913,111                 | 158,063   |
| Fees & Charges             | 6,364,180                 | 3,216,652                 | 2,034,416                   | 5,928,264                 | 3,893,848                                       |
| Bond Proceeds              | -                         | -                         | -                           | -                         | -   |
| Grants / Intergovernmental | -                         | -                         | -                           | -                         | -   |
| Investment Income          | 83,954                    | 42,100                    | 6,592                       | 10,300                    | 3,708   |
| Donations & Miscellaneous  | 97,344                    | 62,150                    | 185,070                     | 83,980                    | (101,090)                                       |
| Total Revenue*             | <u>\$ 8,219,681</u>       | <u>\$ 5,058,536</u>       | <u>\$ 3,981,126</u>         | <u>\$ 7,935,655</u>       | <u>\$ 3,954,529</u>                             |
| Salaries & Benefits        | 3,814,662                 | 2,529,587                 | 2,097,380                   | 3,475,686                 | 1,378,306                                       |
| Contractual Services       | 1,034,509                 | 663,563                   | 514,008                     | 907,244                   | 393,237   |
| Supplies                   | 443,770                   | 223,719                   | 139,357                     | 466,349                   | 326,993   |
| Intergovernmental - WSRA   | 406,444                   | 377,301                   | 358,861                     | 413,221                   | 54,359  |
| Capital Outlay             | 101,204                   | 60,800                    | 53,800                      | 141,275                   | 87,475  |
| Debt Service               | 497,438                   | 497,438                   | 497,438                     | 572,438                   | 75,000  |
| Other                      | 488,240                   | 271,440                   | 162,746                     | 451,287                   | 288,541   |
| Total Expenditures**       | <u>\$ 6,786,267</u>       | <u>\$ 4,623,847</u>       | <u>\$ 3,823,589</u>         | <u>\$ 6,427,499</u>       | <u>\$ 2,603,910</u>                             |
| Net Surplus / (Deficit)    | <u>\$ 1,433,414</u>       | <u>\$ 434,690</u>         | <u>\$ 157,536</u>           | <u>\$ 1,508,155</u>       | <u>\$ 1,350,619</u>                             |

\*\* Total Revenue does not include transfers between funds (\$0 in 2021-22;  
\$800,000 in 2020-21; \$0 in 2019-20)

\*\* Total Expenditures do not include transfers between funds (\$383,000 in 2021-22;  
\$0 in 2020-21; \$358,000 in 2019-20)

**Capital Improvement Plan  
Fiscal Year 2021-22**

**Overview**

This section is a summary of the Gurnee Park District's capital improvement plan. On April 20, 2021 the Park District Board approved a five year Capital Project Plan for fiscal years 2021-22 through 2025-26. The Plan has anticipated amounts for all projects recommended by the staff. The total Capital Project Plan for 2021-22 is budgeted at \$1,127,675. A detailed list begins on page A-6.

Miscellaneous capital items and current fiscal year carry over items are also included in the 2021-22 budget. Miscellaneous capital items are either those items that are capital in nature but are not large enough to be included in the Capital Project Plan or large capital items added to the budget after the approval of the Capital Project Plan. Carry over items are those started and/or approved by the Board, but which will not be completed before the end of the current fiscal year. Carry over projects were included in prior years' budget and appropriation ordinances. Miscellaneous items and carry over items are approved as part of the regular budget process. A listing of miscellaneous items is included on page A-10.

Projects are selected for the Capital Improvement Plan from the Comprehensive Master Plan, program reviews and constant monitoring of Park District facilities, parks and other assets. Vehicles, playgrounds and equipment are included on replacement schedules which are reviewed each year and at the time the item is to be replaced.

Funding for the Capital Improvement Plan comes from non-referendum bonds / real estate taxes, grants, real estate development fees and accumulated surplus from Park District operations. The detailed purchasing procedure for all expenditures, with emphasis on expenditures over \$2,500, includes sealed bids for items or services over \$25,000. The Board approves all proposed expenditures over \$25,000 in advance. The Gurnee Park District defines a capital expenditure as an asset that has a value of \$10,000 or more and a useful life of five years or more. Additionally, certain items over \$1,000 are tracked for control purposes, such as tools, small equipment and computer related equipment. Appendix D contains the park district's detailed Capital Asset Policy and procedures.

## **Impact on Operating Budget**

The Corporate and Recreation Funds include revenues and expenditures that drive the daily services provided by the Park District. In addition to these daily services, the Board has set forth a policy to transfer fund balance in excess of 25% of the following year's expenditures to the Capital Replacement / Development Fund. These transfers are used to replace and develop capital assets and have a direct impact on the park district's operating budget.

The Capital Improvement Plan can have two direct impacts on the operating budget. The first impact is the transferring of funds from the Corporate and Recreation Funds into the Capital Replacement / Development Fund which in turn pays for certain projects; this reduces the available funds for operations. The second impact is the ongoing costs borne by the Corporate and Recreation Funds related to improvements made on capital assets.

All of the projects listed in the following chart will have a minimal impact on future annual operating budgets. The park district defines a minimal impact as a project that will have less than \$1,000 of additional annual operating costs added to future annual budgets.

## **Major Initiatives**

### **Planning**

The Board of Park Commissioners approved a Comprehensive Master Plan on March 16, 2010. During the 2010-2011 Fiscal Year the Park District received Distinguished Accreditation from the Illinois Association of Park Districts and the Illinois Parks and Recreation Association and received re-accreditation during the 2015-16 Fiscal Year. Also during the 2010-2011 Fiscal Year the Park District received the National Recreation and Park Association's Gold Medal Award. These achievements were identified as goals in the planning process.

In addition, every three to five years the Park District completes a Strategic Plan to guide the short term initiatives of the Park District. The strategic planning process includes input from the community, Board of Park Commissioners, other community leaders as well as Park District management and staff. On March 21, 2017 the Park District Board of Commissioners approved the Gurnee Park District Strategic Plan 2017 - 2022. The Park District Board and Leadership Team are confident that Strategic Plan 2017 - 2022 will serve as the guide for continued successful operations and prosperous growth of the Park District through fiscal year 2021-2022.



It is through these planning mechanisms that the Park District sets priorities and formulates the Capital Improvement plan.

### **General Operations Projects**

**Technology** - The Park District continues its effort to upgrade technology and is budgeting \$20,000 for computer replacement. The computer replacement budget is an annual process that allows the park district to replace computers every 4-6 years of use.

### **Parks Management Projects**

Timberwoods Park – In 2021-2022 the 5-12 year old aged children playground structure will be replaced at a budgeted amount of \$125,000. Also included in the budget is \$25,000 for ADA playground equipment and an additional \$25,000 for ADA surfacing. In 2018-19 the 2-5 year old aged children playground structure and all park swings were replaced.

Park Rules Signs - \$25,000 is budgeted for new park rules signs at various parks throughout the Park District. This is the second year of a two year project.

Land Acquisition - \$115,000 is budgeted for possible land acquisition. As part of the Park District's Strategic Plan, the District identifies any potential opportunities to acquire land adjacent to community and neighborhood parks.

Pathway/Concrete/Surfacing repairs - \$85,000 is budgeted for pathway, parking lot, concrete and surfacing repairs at Hunt Club Park Community Center, Viking Park, Hunt Club Neighborhood Park, Prairie Oaks Park, and Timberwoods Park.

Viking Park Drainage and Trail Improvement - \$202,275 is budgeted to help mitigate flooding of sports fields and an adjacent parking lot at Viking Park from storm water runoff. Engineered plans call for re-shaping of existing drainage swales, the installation a new bridgehead with 30" culverts replacing a deteriorating bridgehead with 24" culverts currently in place, and the replacement of four 24" culverts along the park trail.

Viking Park, Hunt Club Park and O'Plaine Park Restrooms - \$5,000 is budgeted for restroom improvements at Viking Park, Hunt Club Park and O'Plaine Park. Materials for these restroom improvements were purchased in fiscal year 2020-21.

O'Plaine Park Batting Cage – There is \$15,000 included in the 2021-22 budget for a new batting cage for the east baseball field at O'Plaine Park. Gurnee Youth Baseball uses O'Plaine Park as one of their home fields. Gurnee Youth Baseball will be covering 50% of the cost.

Other – The Parks Management Team will complete various smaller park site improvements throughout the District. The amount budgeted for these various smaller capital purchases is \$26,000.

Sports Court Surfacing - \$40,400 is included in the 2021-22 budget for sports court resurfacing at various parks.

### **Building Improvement Projects**

Hunt Club Park Community Center HVAC Control Unit – The software that controls the HVAC system at Hunt Club Park Community Center is outdated and must be replaced. \$77,000 is included in the 2021-22 budget for this replacement.

Hunt Club Park Community Center Carpet Replacement - \$10,000 is budgeted to replace the carpet in the Activity Center, Multi-Purpose Room and hallways at the Hunt Club Park Community Center.

Viking Park Community Center HVAC - \$15,000 is included in the 2021-22 budget to replace heat exchangers in four of the heating and air conditioning units at Viking Park Community Center. Replacing the heat exchangers will extend the life of these units and is more cost effective than total replacement of the units.

Hunt Club Park Aquatic Center Concession Area - \$5,000 is budgeted to replace one of the freezers located in the Hunt Club Park Aquatic Center Cattail Cafe.

Hunt Club Park Aquatic Center Entryway – Included in the 2021-22 budget is \$12,000 to replace the windows at the entryway of the Hunt Club Park Aquatic Center. The current windows are over 20 years old and do not create a friendly customer experience.

FitNation – There is \$65,000 included in the 2021-22 Capital Project plan for FitNation facility improvements. These projects are funded from a transfer made to the Capital Replacement/Development Fund from the Recreation Fund fitness operations revenue.

Contingency – There is \$100,000 included in the 2021-22 Capital Project Plan for contingency to be used as needed on the various capital projects listed above.

### **Equipment Replacement and Purchases**

The Parks Management Team has included the replacement of four vehicles in the 2021-22 Capital Project Plan. There is \$135,000 budgeted for these purchases.

### **Miscellaneous Capital Items**

The miscellaneous capital items listed on page A-12 are those items that are capital in nature but are not large enough in scope to be included in the Capital Project Plan or large capital items added to the budget after the approval of the Capital Project Plan. Miscellaneous items are approved as part of the regular budget process. Total included in the 2020-21 budget for miscellaneous capital items is \$45,800.

**GURNEE PARK DISTRICT  
FIVE YEAR CAPITAL PROJECT PLAN (FYE 2021/22 - 2025/26)**

|  |                           |
|--|---------------------------|
|  | Carry over from 20/21     |
|  | Moved from 20/21 to 21/22 |
|  | Moved from 21/22 to 22/23 |
|  | Moved from 21/22 to 23/24 |
|  | Moved From 22/23 to 23/24 |
|  | Moved from 23/24 to 24/25 |

| <u>Project description</u>                                       | FY 21/22         | FY 22/23         | FY 23/24         | FY 24/25         | FY 25/26        |
|--|------------------|------------------|------------------|------------------|-----------------|
| <b>Parks Department Vehicle and Equipment</b>                    |                  |                  |                  |                  |                 |
| Replacement - P-7 Ford F-250 (2WD) (2009)                        | \$30,000         |                  |                  |                  |                 |
| Replacement - P-15 Ford F-350 (2WD) Dump (2011)                  |                  | \$45,000         |                  |                  |                 |
| Replacement - P- 16 Ford E-350 Cargo Van (2009)                  | \$35,000         |                  |                  |                  |                 |
| Replacement - Batwing Woods Mower (2011)                         |                  |                  | \$25,000         |                  |                 |
| Replacement - Batwing Woods Mower (2012)                         |                  |                  | \$25,000         |                  |                 |
| Replacement - Sissor Lift Hunt Club (Purchased 2006 Used)        |                  |                  |                  | \$35,000         |                 |
| Replacement - P-9 Ford F-250 (2WD) (2011)                        | \$30,000         |                  |                  |                  |                 |
| Replacement- P-12 Ford F-350 (2WD) Dump (2011)                   |                  | \$45,000         |                  |                  |                 |
| Replacement P-26 Ford F-250 (4WD) (2011) with a new Western Plow | \$40,000         |                  |                  |                  |                 |
| Replacement - P-17 Ford F-250 (2WD) ToolBox (2013)               |                  | \$35,000         |                  |                  |                 |
| Replacement - Pesticide Sprayer (2005)                           |                  |                  | \$10,000         |                  |                 |
| Replacement- P-23 Ford F-350 (2WD) Dump Truck (2013)             |                  |                  | \$45,000         |                  |                 |
| Replacement- P-27 Ford F-150 (2WD) (2014)                        |                  |                  | \$30,000         |                  |                 |
| Replacement- P-21 Ford E-350 (2WD) Turtle Top (2012)             |                  |                  |                  | \$45,000         |                 |
| Replacement- P-28 Ford F-150 (2014)(                             |                  |                  |                  | \$35,000         |                 |
| Replacement - P-18 Ford F-450 Diesel Dump Truck                  |                  |                  |                  |                  | \$65,000        |
| <b>Total Vehicle and Equipment</b>                               | <b>\$135,000</b> | <b>\$125,000</b> | <b>\$135,000</b> | <b>\$115,000</b> | <b>\$65,000</b> |
| <b>Playground Replacements/Improvements</b>                      |                  |                  |                  |                  |                 |
| Misc Improvements - all parks                                    | \$26,000         | \$27,000         | \$28,000         | \$29,000         | \$30,000        |
| Prairie Oakes Playground (Silo)                                  |                  | \$94,000         |                  |                  |                 |
| Timberwoods Park Playground                                      | \$125,000        |                  |                  |                  |                 |
| Kings Park Playground  |                  | \$175,000        |                  |                  |                 |
| Hunt Club Neighborhood Park                                      |                  |                  | \$300,000        |                  |                 |
| Prairie Oaks Park (Shagbark)                                     |                  | \$108,000        |                  |                  |                 |
| VPCC Parks (5-12 & 2-5)  |                  |                  |                  | \$450,000        |                 |
| VPCC Preschool Playground  |                  |                  |                  | \$125,000        |                 |
| Concord Oaks Playground  |                  |                  | \$180,000        |                  |                 |

**GURNEE PARK DISTRICT  
FIVE YEAR CAPITAL PROJECT PLAN (FYE 2021/22 - 2025/26)**

|  |                           |
|--|---------------------------|
|  | Carry over from 20/21     |
|  | Moved from 20/21 to 21/22 |
|  | Moved from 21/22 to 22/23 |
|  | Moved from 21/22 to 23/24 |
|  | Moved From 22/23 to 23/24 |
|  | Moved from 23/24 to 24/25 |

| <u>Project description</u>                                | FY 21/22         | FY 22/23         | FY 23/24         | FY 24/25         | FY 25/26         |
|---|------------------|------------------|------------------|------------------|------------------|
| Churchill Playground                                      |                  |                  |                  |                  | \$175,000        |
| <b>Total Playground Improvements</b>                      | <b>\$151,000</b> | <b>\$404,000</b> | <b>\$508,000</b> | <b>\$604,000</b> | <b>\$205,000</b> |
| <b>ADA Improvements</b>                                   |                  |                  |                  |                  |                  |
| Prairie Oaks Playground Equipment                         |                  | \$20,000         |                  |                  |                  |
| Timberwoods Park Playground Equipment                     | \$25,000         |                  |                  |                  |                  |
| Timberwoods Park Playground Surfacing                     | \$25,000         |                  |                  |                  |                  |
| Kings Park Playground                                     |                  | \$35,000         |                  |                  |                  |
| Kings Park Surfacing                                      |                  | \$50,000         |                  |                  |                  |
| Hunt Club Neighborhood Park Equipment                     |                  |                  | \$25,000         |                  |                  |
| Hunt Club Neighborhood Park Surfacing                     |                  |                  | \$50,000         |                  |                  |
| Prairie Oaks Park (Shagbark)                              |                  | \$20,000         |                  |                  |                  |
| VPCC Park Playground Equipment Purchase                   |                  |                  |                  | \$25,000         |                  |
| VPCC Park Playground Surfacing                            |                  |                  |                  | \$50,000         |                  |
| Southridge Surfacing Replacement (Pour in place and turf) |                  |                  |                  |                  | \$50,000         |
| Vineyard Surfacing Replacement (Pour in place and turf)   |                  |                  |                  |                  | \$50,000         |
| Churchill Equipment                                       |                  |                  |                  |                  | \$25,000         |
| <b>Total ADA Plan</b>                                     | <b>\$50,000</b>  | <b>\$125,000</b> | <b>\$75,000</b>  | <b>\$75,000</b>  | <b>\$125,000</b> |
| <b>Sports Court Surfacing</b>                             |                  |                  |                  |                  |                  |
| Betty Russell Tennis Court Color Coating                  |                  |                  |                  | \$15,000         |                  |
| Hunt Club Park Neighborhood                               | \$6,000          |                  |                  |                  |                  |
| O'Plaine Park Basketball Court                            | \$6,000          |                  |                  |                  |                  |
| O'Plaine Park Pickleball Court                            |                  |                  |                  | \$25,000         |                  |
| Ravinia Park Basketball Color Coating                     |                  | \$7,500          |                  |                  |                  |
| South Park  | \$8,000          |                  |                  |                  |                  |
| Viking Basketball   | \$14,000         |                  |                  |                  |                  |
| Viking Park Tennis Court                                  |                  |                  |                  | \$150,000        |                  |
| Viking Park Picnic Area Asphalt                           | \$6,400          |                  |                  |                  |                  |

**GURNEE PARK DISTRICT  
FIVE YEAR CAPITAL PROJECT PLAN (FYE 2021/22 - 2025/26)**

|  |                           |
|--|---------------------------|
|  | Carry over from 20/21     |
|  | Moved from 20/21 to 21/22 |
|  | Moved from 21/22 to 22/23 |
|  | Moved from 21/22 to 23/24 |
|  | Moved From 22/23 to 23/24 |
|  | Moved from 23/24 to 24/25 |

| <b>Project description</b>   | <b>FY 21/22</b> | <b>FY 22/23</b> | <b>FY 23/24</b>  | <b>FY 24/25</b>  | <b>FY 25/26</b> |
|--|-----------------|-----------------|------------------|------------------|-----------------|
| Churchill Hunt Park  |                 | \$3,500         |                  |                  |                 |
| Concord Oaks Park  |                 | \$7,500         |                  |                  |                 |
| Southridge Park  |                 | \$3,500         |                  |                  |                 |
| Timberwoods Park   |                 | \$3,500         |                  |                  |                 |
| Hunt Club Basketball and Pickleball                                      |                 |                 | \$8,000          |                  |                 |
| Cedar Park   |                 |                 | \$3,500          |                  |                 |
| Christine Thompson Tennis and Pickleball                                 |                 |                 |                  |                  | \$15,000        |
| Westgate Park  |                 |                 |                  |                  | \$4,000         |
| Betty Russell Park Basketball  |                 |                 |                  |                  | \$4,000         |
| Vineyard Park  |                 |                 |                  |                  | \$3,500         |
| Chittenden Park  |                 |                 |                  |                  | \$3,500         |
| <b>Total Sports Court Surfacing</b>                                      | <b>\$40,400</b> | <b>\$25,500</b> | <b>\$11,500</b>  | <b>\$190,000</b> | <b>\$30,000</b> |
| <b>Asphalt Surfaces/Pathways</b>   |                 |                 |                  |                  |                 |
| Hunt Club Community Park Patching Parking Lot                            | \$20,000        | \$20,000        |                  |                  |                 |
| Hunt Club Community Park Parking Lot Overlay                             |                 |                 | \$600,000        |                  |                 |
| Viking Parking Patching Repairs Lot                                      | \$20,000        |                 |                  |                  |                 |
| Viking Park Parking Lot Overlay  |                 |                 |                  | \$230,000        |                 |
| Hunt Club Park Neighborhood Walkway Patching                             | \$5,000         |                 |                  |                  |                 |
| Prairie Oaks side walk replacement.                                      | \$20,000        |                 |                  |                  |                 |
| Timberwoods Park Parking Lot and Pathway Resurfacing                     | \$20,000        |                 |                  |                  |                 |
| Vineyard Park  |                 | \$9,600         |                  |                  |                 |
| University Parking Lots  |                 | \$30,000        |                  |                  |                 |
| <b>Total Asphalt Surfaces</b>  | <b>\$85,000</b> | <b>\$59,600</b> | <b>\$600,000</b> | <b>\$230,000</b> | <b>\$0</b>      |
| <b>Facility Improvements</b>   |                 |                 |                  |                  |                 |
| HVAC Delta System to replace Tracer Summit Controls.                     | \$77,000        |                 |                  |                  |                 |
| HVAC Viking Park Heat Exchangers RTUs 2,3,4,5                            | \$15,000        |                 |                  |                  |                 |
| HCPCC Carpet Replacement for Activity Center/Mulit-Purpose Room Hallways | \$10,000        |                 |                  |                  |                 |

**GURNEE PARK DISTRICT  
FIVE YEAR CAPITAL PROJECT PLAN (FYE 2021/22 - 2025/26)**

|  |                           |
|--|---------------------------|
|  | Carry over from 20/21     |
|  | Moved from 20/21 to 21/22 |
|  | Moved from 21/22 to 22/23 |
|  | Moved from 21/22 to 23/24 |
|  | Moved From 22/23 to 23/24 |
|  | Moved from 23/24 to 24/25 |

| <u>Project description</u>  | <b>FY 21/22</b>    | <b>FY 22/23</b>    | <b>FY 23/24</b>    | <b>FY 24/25</b>    | <b>FY 25/26</b>  |
|---|--------------------|--------------------|--------------------|--------------------|------------------|
| HCPAC New Freezer for Café  | \$5,000            |                    |                    |                    |                  |
| HCPAC Entry Way Window Replacement  | \$12,000           |                    |                    |                    |                  |
| HVAC HCPCC RTU 5 Replacement  |                    | \$25,000           |                    |                    |                  |
| Viking Park Roof (Dance Hall new coating)   |                    | \$15,000           |                    |                    |                  |
| HVAC Viking Park 4 Ton Split System and 5 Ton RTU Replacement                     |                    |                    | \$35,000           |                    |                  |
| <b>Total Facility Improvements</b>  | <b>\$119,000</b>   | <b>\$40,000</b>    | <b>\$35,000</b>    | <b>\$0</b>         | <b>\$0</b>       |
| <b>Miscellaneous Capital</b>  |                    |                    |                    |                    |                  |
| Park Rules Sign Replacements  | \$25,000           |                    |                    |                    |                  |
| O'Plaine East Bating Cage. 50% paid for by Gurnee Youth Baseball                  | \$15,000           |                    |                    |                    |                  |
| Viking Park Drainage Improvements and Bridge (FY20/21 C/O)                        | \$82,275           |                    |                    |                    |                  |
| Viking Park Softball backstop and dugout replacements                             |                    | \$100,000          |                    |                    |                  |
| Viking Park Trail Improvements Phase 2  | \$120,000          |                    |                    |                    |                  |
| Betty Russell, Viking Park and O'Plaine Parks Restroom Improvements (FY20/21 C/O) | \$5,000            |                    |                    |                    |                  |
| Land Acquisition  | \$115,000          | \$115,000          | \$115,000          | \$115,000          | \$115,000        |
| Computer Equipment  | \$20,000           | \$20,000           | \$20,000           | \$20,000           | \$20,000         |
| Contingency   | \$100,000          | \$100,000          | \$100,000          | \$100,000          | \$100,000        |
| <b>Total Miscellaneous</b>  | <b>\$482,275</b>   | <b>\$335,000</b>   | <b>\$235,000</b>   | <b>\$235,000</b>   | <b>\$235,000</b> |
| <b>Grand Total</b>  | <b>\$1,062,675</b> | <b>\$1,114,100</b> | <b>\$1,599,500</b> | <b>\$1,449,000</b> | <b>\$660,000</b> |

**GURNEE PARK DISTRICT  
FIVE YEAR CAPITAL PROJECT PLAN (FYE 2021/22 - 2025/26)**

|  |                           |
|--|---------------------------|
|  | Carry over from 20/21     |
|  | Moved from 20/21 to 21/22 |
|  | Moved from 21/22 to 22/23 |
|  | Moved from 21/22 to 23/24 |
|  | Moved From 22/23 to 23/24 |
|  | Moved from 23/24 to 24/25 |

| <u>Project description</u>  | <b>FY 21/22</b>    | <b>FY 22/23</b>    | <b>FY 23/24</b>    | <b>FY 24/25</b>    | <b>FY 25/26</b>    |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|
| <b>Available funds</b>  |                    |                    |                    |                    |                    |
| Prior year fund balances  | \$2,993,545        | \$2,530,460        | \$2,139,455        | \$1,290,435        | \$615,184          |
| Annual rollover bond proceeds   | \$464,850          | \$480,000          | \$490,800          | \$512,450          | \$636,200          |
| ADA fund - 25% of total levy towards capital (less inclusion expense) | \$77,740           | \$79,295           | \$80,881           | \$82,498           | \$84,148           |
| Funds from Paving and Lighting fund available for paving              | \$26,400           | \$17,000           | \$17,000           | \$17,000           | \$0                |
| Transfer in from Corp and Rec   | \$0                | \$100,000          | \$100,000          | \$100,000          | \$100,000          |
| Interest Income   | \$30,600           | \$46,800           | \$61,800           | \$61,800           | \$61,800           |
| <b>Total Annual Inflow</b>  | <b>\$599,590</b>   | <b>\$723,095</b>   | <b>\$750,481</b>   | <b>\$773,748</b>   | <b>\$882,148</b>   |
| <b>Total available funds</b>  | <b>\$3,593,135</b> | <b>\$3,253,555</b> | <b>\$2,889,935</b> | <b>\$2,064,184</b> | <b>\$1,497,332</b> |
| <b>Estimate Fund Balance - FY End (Regular Capital Projects)</b>      | <b>\$2,530,460</b> | <b>\$2,139,455</b> | <b>\$1,290,435</b> | <b>\$615,184</b>   | <b>\$837,332</b>   |

**FitNation Capital**

|  |                 |            |                  |                 |                  |
|--|-----------------|------------|------------------|-----------------|------------------|
| FitNation Heat Exchangers Replacement  | \$45,000        |            |                  |                 |                  |
| FitNation RTU - CU1, CU2 & CU3 Replacement (Split systems in plated weight area) |                 |            | \$165,000        |                 |                  |
| FitNation Pool Dectron Replacement   |                 |            |                  |                 | \$375,870        |
| FitNation RTU - 1 Men's Locker Room  |                 |            |                  | \$45,000        |                  |
| FitNation RTU - 2 Women's Locker Room  |                 |            |                  |                 | \$45,000         |
| <b>Total FitNation HVAC Units</b>  | <b>\$45,000</b> | <b>\$0</b> | <b>\$165,000</b> | <b>\$45,000</b> | <b>\$420,870</b> |
| FitNation Parking Lot  | \$10,000        | \$0        | \$300,000        | \$300,000       |                  |
| Roof Section 1   | \$10,000        |            |                  |                 |                  |
| Roof Section 2   |                 | \$10,000   |                  |                 |                  |
| Roof Section 3   |                 |            | \$10,000         |                 |                  |
| Roof Section 4   |                 |            |                  | \$10,000        |                  |



**GURNEE PARK DISTRICT  
FIVE YEAR CAPITAL PROJECT PLAN (FYE 2021/22 - 2025/26)**

|  |                           |
|--|---------------------------|
|  | Carry over from 20/21     |
|  | Moved from 20/21 to 21/22 |
|  | Moved from 21/22 to 22/23 |
|  | Moved from 21/22 to 23/24 |
|  | Moved From 22/23 to 23/24 |
|  | Moved from 23/24 to 24/25 |

| <u>Project description</u>   | <b>FY 21/22</b>    | <b>FY 22/23</b>    | <b>FY 23/24</b>    | <b>FY 24/25</b>    | <b>FY 25/26</b>    |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|
| Roof Section 5   |                    |                    |                    |                    | \$10,000           |
| Roof Section 6   |                    |                    |                    |                    |                    |
| <b>Total FitNation Roofing Repairs</b>                             | <b>\$10,000</b>    | <b>\$10,000</b>    | <b>\$10,000</b>    | <b>\$10,000</b>    | <b>\$10,000</b>    |
| <b>Grand Total FitNation</b>                                       | <b>\$65,000</b>    | <b>\$10,000</b>    | <b>\$475,000</b>   | <b>\$355,000</b>   | <b>\$430,870</b>   |
| <b>Available funds</b>   |                    |                    |                    |                    |                    |
| Prior year fund balance  | \$140,065          | \$225,065          | \$465,065          | \$290,065          | \$260,065          |
| Transfer in from Fitness Operations                                | \$150,000          | \$250,000          | \$300,000          | \$325,000          | \$350,000          |
| <b>Total available funds</b>                                       | <b>\$290,065</b>   | <b>\$475,065</b>   | <b>\$765,065</b>   | <b>\$615,065</b>   | <b>\$610,065</b>   |
| <b>Estimate Fund Balance - FY End (FitNation Capital Projects)</b> | <b>\$225,065</b>   | <b>\$465,065</b>   | <b>\$290,065</b>   | <b>\$260,065</b>   | <b>\$179,195</b>   |
| <b>Grand Total All Projects</b>                                    | <b>\$1,127,675</b> | <b>\$1,124,100</b> | <b>\$2,074,500</b> | <b>\$1,804,000</b> | <b>\$1,090,870</b> |

**GURNEE PARK DISTRICT**  
**Miscellaneous Capital Items - Fiscal Year 2021-22**

| FUND                       | DESCRIPTION  | Budget Amount  |
|----------------------------|--|----------------|
| Corporate Fund             | VPCC SAN Replacement                                     | 20,000         |
|                            | VPCC switch replacement                                  | 5,000          |
|                            | HCPCC Virtual Server Replacement                         | 10,000         |
|                            | HCPCC switch replacement                                 | 5,000          |
|                            | Misc switch replacements                                 | 2,700          |
|                            | Misc switch warranties                                   | 1,700          |
|                            | HCPCC/HCPAC WiFi   | 30,600         |
|                            | Equipment replacement as needed                          | 20,000         |
|                            | Snow thrower for Dingo                                   | 5,300          |
|                            | Walk behind mower  | 5,800          |
|                            | Skid steer grapple bucket                                | 7,000          |
|                            | Other Parks Management Equipment                         | 1,900          |
| Recreation Fund            | Carpet for VP Preschool                                  | 8,000          |
|                            | Replacement Preschool, CARE/Camp furniture and equipment | 7,500          |
|                            | Office chairs for staff                                  | 1,500          |
|                            | Other Recreation Programming Equipment                   | 7,500          |
|                            | Fridge replacement VPCC                                  | 5,000          |
|                            | FN ADA Swim Chair  | 5,000          |
|                            | Other Parks Management Equipment                         | 4,000          |
|                            | Chest freezer for camp/preschool/care                    | 500            |
|                            | Refrigerator/freezer for River Trail CARE                | 700            |
|                            | Fitness equipment  | 60,000         |
|                            | Swim school equipment                                    | 5,575          |
| Site and Construction Fund | Professional Services                                    | 17,150         |
| <b>Grand Total</b>         |  | <b>237,425</b> |

**NOTE: Miscellaneous Capital Items are not in the Capital Project Plan and are approved as part of the regular budget process.**



**CATEGORIES OF DISTRICT SERVICES**

**BASIC PUBLIC**

- Fully or mostly Subsidized
- Up to 15% net revenue after direct costs
- Service essential to community
- Service available to entire community

**EXTRA PUBLIC**

- Partially Subsidized
- Covers all direct costs with net revenue 16% - 46% for indirect costs\*
- Services available to the community with some limitations to participation

**PRIVATE**

- No Subsidy
- Covers all direct costs with net revenue 47% or greater for indirect costs\*
- Services available to specific needs within the community

**ENTERPRISE**

- Accounts for and covers all direct and indirect costs including debt service and capital

---

Parks and Amenities  
 Special Events  
 Senior Programs  
 GO Gurnee  
 Gurnee Days

Theater Programs  
 General Youth Recreation  
 Youth Athletics  
 Adult Athletics  
 General Adult Recreation  
 Pre-registered Fitness Programs  
 Early Childhood Programs  
 Rentals  
 Swim Programming

Day Camps  
 Aquatic Center  
 Preschool  
 CARE/Days Off Programs  
 Dance

Fitness Center Operations

\*Net revenue % for indirect costs is calculated at the beginning of the upcoming fiscal year budget cycle using the average of projected indirect cost % for the current fiscal year and actual indirect cost % from the previous two fiscal years.

Approved by the Board: November 17, 2020

**Budget and Appropriations Ordinance  
Fiscal Year 2021-22**

**Overview**

After a detailed preparation and review of the proposed budget, the Gurnee Park District prepares the legal document required under Illinois Compiled Statutes for Special Districts, Chapter 105, paragraph 4-4. The Budget and Appropriation Ordinance must be adopted by the governing body within the first quarter of each fiscal year.

The Ordinance shall contain a statement of cash on hand at the beginning of the fiscal year, and estimate of the cash to be received during the fiscal year from all sources, an estimate of expenditures contemplated for such fiscal year and a statement of the estimated cash expected to be on hand at the end of the fiscal year.

The Ordinance shall be prepared in tentative form and made conveniently available for public inspection for at least 30 days prior to final action. At least one public hearing shall be held addressing the Budget and Appropriation Ordinance prior to final action. Notice of the public hearing must be given in a local newspaper at least one week prior to the hearing. Page 18 of this document contains the timeline for this year's budget.

Attached is the tentative Budget and Appropriations Ordinance number 21/22-1, which will be passed by the Board of Commissioners on May 18, 2021 and filed with the Lake County, Illinois Clerk's Office on May 21, 2021.

BUDGET AND APPROPRIATION ORDINANCE
2021/2022
AN ORDINANCE ADOPTING THE COMBINED ANNUAL BUDGET AND
APPROPRIATION
OF FUNDS FOR GURNEE PARK DISTRICT BEGINNING
ON THE 1ST DAY OF MAY, 2021, AND
ENDING ON THE 30TH DAY OF APRIL, 2022.

BE IT ORDAINED BY THE BOARD OF PARK COMMISSIONERS (the "Board") of
GURNEE PARK DISTRICT (the "District"), LAKE COUNTY, ILLINOIS:

SECTION I. It is hereby found and determined: (a) This board has hereto caused to be
prepared a combined annual budget and appropriation ordinance in tentative form, which
ordinance has been conveniently available for public inspection for at least 30 days prior to final
action hereunder;

(b) A public hearing was held at Gurnee Park District, Gurnee, Illinois, on the
18th day of May, 2021, on said ordinance, notice of said hearing having been given by
publication in the DAILY HERALD, being a newspaper published within this District, at least
one week prior to such hearing; and

(c) All other legal requirements for the adoption of the annual budget and
appropriation ordinance of this District for the Fiscal year beginning May 1, 2021, and ending
April 30, 2022 have been performed.

SECTION II. The following sums of money, or so much thereof as may be authorized by law
for the following objects and purposes, be and the same are hereby budgeted and appropriated
for the fiscal year beginning on the 1st day of May, 2021, and ending on the 30th day of April,
2022.

Table with 3 columns: Description, BUDGET, and APPROPRIATION. Rows include Administration (Salaries, Contractual/Legal/Professional Services, Insurance Benefits, Utilities, Materials & Supplies, Capitalized Equipment, Other Expenses, Total for Administration) and Park Management (Salaries, Contractual Services, Insurance Benefits).

|                                  |                    |                    |
|----------------------------------|--------------------|--------------------|
| Utilities                        | \$49,100           | \$58,920           |
| Materials & Supplies             | \$182,600          | \$219,120          |
| Capitalized Equipment            | \$20,000           | \$24,000           |
| Other Expenses                   | \$82,000           | \$98,400           |
| <b>Total for Park Management</b> | <b>\$1,234,418</b> | <b>\$1,481,302</b> |

**CORPORATE FUND TOTAL** **\$2,366,079** **\$2,839,295**

**Income:**

|                              |                    |                    |
|------------------------------|--------------------|--------------------|
| Real Estate Tax Levy         | \$2,311,729        | \$2,774,075        |
| Other                        | \$54,350           | \$65,220           |
| Fund Transfer                | \$0                | \$0                |
| <b>CORPORATE FUND INCOME</b> | <b>\$2,366,079</b> | <b>\$2,839,295</b> |

**SITE & CONSTRUCTION FUND (DEVELOPER DONATIONS)**

|   |                 |                 |
|---|-----------------|-----------------|
| Contractual/Legal/Professional Services   | \$1,000         | \$1,200         |
| Capital Outlay:                           |                 |                 |
| New Equipment                             | \$0             | \$0             |
| Park Development / Building               |                 |                 |
| Improvements                              | \$77,000        | \$92,400        |
| Land Acquisitions                         | \$0             | \$0             |
| Other Expenses                            | \$0             | \$0             |
| <b>SITE &amp; CONSTRUCTION FUND TOTAL</b> | <b>\$78,000</b> | <b>\$93,600</b> |

**Income:**

|                          |              |              |
|--------------------------|--------------|--------------|
| Grants                   | \$0          | \$0          |
| Developer Donations      | \$0          | \$0          |
| Other                    | \$200        | \$240        |
| <b>TOTAL FUND INCOME</b> | <b>\$200</b> | <b>\$240</b> |

**SITE & CONSTRUCTION FUND (BONDS)**

|   |                  |                  |
|---|------------------|------------------|
| Contractual/Legal/Professional Services | \$16,150         | \$19,380         |
| Capital Outlay:                         |                  |                  |
| New Equipment                           | \$20,000         | \$24,000         |
| New Vehicles                            | \$135,000        | \$162,000        |
| Park Development / Building             |                  |                  |
| Improvements                            | \$459,600        | \$551,520        |
| Land Acquisitions                       | \$115,000        | \$138,000        |
| <b>Total Capital Outlay</b>             | <b>\$729,600</b> | <b>\$875,520</b> |
| Debt Retirement                         | \$380,000        | \$456,000        |
| Other Expenses                          | \$55,950         | \$67,140         |

|   |                    |                    |
|---|--------------------|--------------------|
| <b>SITE &amp; CONST. FUND (BONDS) TOTAL</b>     | <b>\$1,181,700</b> | <b>\$1,418,040</b> |
| <b>Income:</b>                                  |                    |                    |
| Bond Proceeds                                   | \$927,000          | \$1,112,400        |
| Other   | \$100              | \$120              |
| <b>TOTAL SITE &amp; CON FUND (BONDS) INCOME</b> | <b>\$927,100</b>   | <b>\$1,112,520</b> |

## **CAPITAL REPLACEMENT / DEVELOPMENT FUND**

|   |                  |                  |
|---|------------------|------------------|
| Contractual Services                                | \$0              | \$0              |
| Capital Outlay:                                     |                  |                  |
| Land Acquisition                                    | \$0              | \$0              |
| New Equipment                                       | \$0              | \$0              |
| Park Improvements                                   | \$62,675         | \$75,210         |
| Building Improvements                               | \$182,000        | \$218,400        |
| <b>CAPITAL REPLACEMENT / DEVELOPMENT FUND TOTAL</b> | <b>\$244,675</b> | <b>\$293,610</b> |
| <b>Income:</b>                                      |                  |                  |
| Other   | \$30,000         | \$36,000         |
| Fund Transfer                                       | \$383,000        | \$459,600        |
| <b>TOTAL FUND INCOME</b>                            | <b>\$413,000</b> | <b>\$495,600</b> |

## **RECREATION FUND**

|                                 |                    |                    |
|---------------------------------|--------------------|--------------------|
| <b>Administration:</b>          |                    |                    |
| Salaries                        | \$637,400          | \$764,880          |
| Contractual/Professional        | \$138,256          | \$165,907          |
| Insurance Benefits              | \$136,583          | \$163,900          |
| Utilities                       | \$42,150           | \$50,580           |
| Materials & Supplies            | \$26,900           | \$32,280           |
| Capitalized Equipment           | \$19,500           | \$23,400           |
| Other Expenses                  | \$80,900           | \$97,080           |
| <b>Total for Administration</b> | <b>\$1,081,689</b> | <b>\$1,298,027</b> |
| <b>Park Management:</b>         |                    |                    |
| Salaries                        | \$624,700          | \$749,640          |
| Contractual Services            | \$67,950           | \$81,540           |
| Insurance Benefits              | \$150,164          | \$180,197          |
| Utilities                       | \$96,300           | \$115,560          |
| Materials & Supplies            | \$144,000          | \$172,800          |
| Capitalized Equipment           | \$14,000           | \$16,800           |

|                                  |                    |                    |
|----------------------------------|--------------------|--------------------|
| <b>Total for Park Management</b> | <b>\$1,097,114</b> | <b>\$1,316,537</b> |
|----------------------------------|--------------------|--------------------|

**Programs:**

|                           |                    |                    |
|---------------------------|--------------------|--------------------|
| Salaries                  | \$2,640,397        | \$3,168,476        |
| Contractual Services      | \$426,607          | \$511,928          |
| Insurance Benefits        | \$61,306           | \$73,567           |
| Utilities                 | \$300,232          | \$360,278          |
| Materials & Supplies      | \$439,449          | \$527,339          |
| Capitalized Equipment     | \$221,775          | \$266,130          |
| Debt Service              | \$805,438          | \$966,525          |
| Other Operating Expenses  | \$370,387          | \$444,464          |
| <b>Total for Programs</b> | <b>\$5,265,589</b> | <b>\$6,318,707</b> |

|                              |                    |                    |
|------------------------------|--------------------|--------------------|
| <b>RECREATION FUND TOTAL</b> | <b>\$7,444,393</b> | <b>\$8,933,272</b> |
|------------------------------|--------------------|--------------------|

**Income:**

|                                     |                    |                    |
|-------------------------------------|--------------------|--------------------|
| Real Estate Tax Levy                | \$1,422,150        | \$1,706,580        |
| Fees & Charges                      | \$5,928,264        | \$7,113,917        |
| Other                               | \$93,980           | \$112,776          |
| Fund Transfer                       | \$0                | \$0                |
| <b>TOTAL RECREATION FUND INCOME</b> | <b>\$7,444,394</b> | <b>\$8,933,273</b> |

**AUDIT FUND**

|                         |                 |                 |
|-------------------------|-----------------|-----------------|
| Auditing Services       | \$30,660        | \$36,792        |
| <b>AUDIT FUND TOTAL</b> | <b>\$30,660</b> | <b>\$36,792</b> |

**Income:**

|                                |                 |                 |
|--------------------------------|-----------------|-----------------|
| Real Estate Tax Levy           | \$30,770        | \$36,924        |
| Other                          | \$20            | \$24            |
| <b>TOTAL AUDIT FUND INCOME</b> | <b>\$30,790</b> | <b>\$36,948</b> |

**PAVING & LIGHTING FUND**

|   |                 |                 |
|---|-----------------|-----------------|
| Paving Expense                          | \$26,400        | \$31,680        |
| Lighting Expense                        | \$37,000        | \$44,400        |
| <b>PAVING &amp; LIGHTING FUND TOTAL</b> | <b>\$63,400</b> | <b>\$76,080</b> |

**Income:**

|  |                 |                 |
|--|-----------------|-----------------|
| Real Estate Tax Levy                           | \$58,694        | \$70,433        |
| Other  | \$50            | \$60            |
| <b>TOTAL PAVING &amp; LIGHTING FUND INCOME</b> | <b>\$58,744</b> | <b>\$70,493</b> |



## RECREATION FOR HANDICAPPED FUND

|   |                  |                  |
|---|------------------|------------------|
| Payment to WSRA                         | \$368,221        | \$441,865        |
| ADA Inclusion Services                  | \$45,000         | \$54,000         |
| ADA Improvements                        | \$50,000         | \$60,000         |
| <b>RECREATION FOR HANDICAPPED TOTAL</b> | <b>\$463,221</b> | <b>\$555,865</b> |

|                      |                  |                  |
|----------------------|------------------|------------------|
| Income:              |                  |                  |
| Real Estate Tax Levy | \$490,961        | \$589,153        |
| Other                | \$300            | \$360            |
| <b>TOTAL INCOME</b>  | <b>\$491,261</b> | <b>\$589,513</b> |

## LIABILITY INSURANCE FUND

|                                  |                  |                  |
|----------------------------------|------------------|------------------|
| Unemployment Insurance           | \$0              | \$0              |
| Tort Liability Insurance         | \$41,639         | \$49,966         |
| Property Insurance               | \$65,770         | \$78,924         |
| Workers' Comp. Insurance         | \$73,157         | \$87,788         |
| <b>LIABILITY INS. FUND TOTAL</b> | <b>\$180,566</b> | <b>\$216,679</b> |

|   |                  |                  |
|---|------------------|------------------|
| Income:                                 |                  |                  |
| Real Estate Tax Levy                    | \$183,951        | \$220,741        |
| Other                                   | \$1,700          | \$2,040          |
| <b>TOTAL LIABILITY INS. FUND INCOME</b> | <b>\$185,651</b> | <b>\$222,781</b> |

## IMRF FUND

|                        |                  |                  |
|------------------------|------------------|------------------|
| IMRF Fund Contribution | \$324,000        | \$388,800        |
| <b>IMRF FUND TOTAL</b> | <b>\$324,000</b> | <b>\$388,800</b> |

|                               |                  |                  |
|-------------------------------|------------------|------------------|
| Income:                       |                  |                  |
| Real Estate Tax Levy          | \$271,092        | \$325,310        |
| Other                         | \$400            | \$480            |
| <b>TOTAL IMRF FUND INCOME</b> | <b>\$271,492</b> | <b>\$325,790</b> |

## SOCIAL SECURITY FUND

|                                   |                  |                  |
|-----------------------------------|------------------|------------------|
| Social Security Contribution      | \$330,000        | \$396,000        |
| <b>SOCIAL SECURITY FUND TOTAL</b> | <b>\$330,000</b> | <b>\$396,000</b> |

|                      |           |           |
|----------------------|-----------|-----------|
| Income:              |           |           |
| Real Estate Tax Levy | \$245,723 | \$294,867 |

|                             |                  |                  |
|-----------------------------|------------------|------------------|
| Other                       | \$300            | \$360            |
| <b>TOTAL SS FUND INCOME</b> | <b>\$246,023</b> | <b>\$295,227</b> |

**BOND & INTEREST FUND**

|                                       |                    |                    |
|---------------------------------------|--------------------|--------------------|
| Debt Retirement                       | \$1,055,360        | \$1,266,432        |
| Other Expenses                        | \$46,500           | \$55,800           |
| <b>BOND &amp; INTEREST FUND TOTAL</b> | <b>\$1,101,860</b> | <b>\$1,322,232</b> |

**Income:**

|  |                    |                    |
|--|--------------------|--------------------|
| Real Estate Tax Levy                         | \$1,051,862        | \$1,262,235        |
| Other  | \$200              | \$240              |
| <b>TOTAL BOND &amp; INTEREST FUND INCOME</b> | <b>\$1,052,062</b> | <b>\$1,262,475</b> |

## SUMMARY OF FUNDS

|                                    | <b>BUDGET</b> | <b>APPROPRIATION</b> |
|------------------------------------|---------------|----------------------|
| CORPORATE                          | \$2,366,079   | \$2,839,295          |
| SITE & CONSTRUCTION (DEV DONATION) | \$78,000      | \$93,600             |
| SITE & CONSTRUCTION (BONDS)        | \$1,181,700   | \$1,418,040          |
| CAPITAL REPLACE / DEVELOP          | \$244,675     | \$293,610            |
| RECREATION                         | \$7,444,393   | \$8,933,272          |
| AUDIT                              | \$30,660      | \$36,792             |
| PAVING & LIGHTING                  | \$63,400      | \$76,080             |
| RECREATION FOR HANDICAPPED         | \$463,221     | \$555,865            |
| LIABILITY                          | \$180,566     | \$216,679            |
| IMRF                               | \$324,000     | \$388,800            |
| SOCIAL SECURITY                    | \$330,000     | \$396,000            |
| BOND & INTEREST                    | \$1,101,860   | \$1,322,232          |
| <br>                               |               |                      |
| TOTAL FOR ALL FUNDS                | \$13,808,554  | \$16,570,265         |

Each of said sums of money and the aggregate thereof are deemed necessary by this Board to defray the necessary expenses and liabilities of this District during the fiscal year beginning May 1, 2021, and ending April 30, 2022, for the respective purposes set forth.

All unexpended balances of the appropriations for the fiscal year ending April 30, 2021, and prior years are hereby specifically re-appropriated for the same general purposes for which they were originally made and may be expended in making up an insufficiency of any other items provided in this appropriation ordinance, pursuant to law.

The receipts and revenue of said District derived from sources other than taxation and not specifically appropriated, shall constitute the general corporate fund and shall first be placed to the credit of such fund.

SECTION III. The following determinations have been made and are hereby made a part of the aforesaid budget:

- (a) The cash on hand at the beginning of the fiscal year is \$8,298,995;
- (b) An estimate of the cash expected to be received during the fiscal year from all sources is \$16,184,155;
- (c) An estimate of the expenditures contemplated for the fiscal year is \$16,570,265;
- (d) The estimated cash expected to be on hand at the end of the fiscal year is \$7,912,885;
- (e) An estimate of the amount of taxes to be received during the fiscal year:

|                                      |                    |
|--------------------------------------|--------------------|
| Real Estate Taxes                    | <u>\$7,263,819</u> |
| Personal Property<br>Replacement Tax | <u>\$66,000</u>    |
| TOTAL                                | <u>\$7,329,819</u> |

SECTION IV. The receipts and revenues of the Gurnee Park District derived from sources other than taxation and not specifically appropriated, and all unexpected balances from the preceding fiscal year not required for the purpose for which they were appropriated shall constitute the General Corporate Fund and shall first be placed to the credit of such fund.

SECTION V. All ordinances or parts of ordinances conflicting with any of the provisions of this ordinance be and the same are hereby repealed. If any item or portion thereof of this budget and appropriation ordinance is for any reason held invalid, such decision shall not affect the validity of the remaining portion of such item or the remaining portion of this ordinance.

This ordinance shall be in full force and effect immediately upon its passage.

Passed by the Board of Park Commissioners of Gurnee Park District this 18th day of May, 2021.

AYES:

NAYS:

ABSENT AND NOT VOTING:

---

President

ATTEST:

---

Secretary

STATE OF ILLINOIS)  
 )  
COUNTY OF LAKE )

I, Michelle Klemz, do hereby certify that I am the duly qualified and acting Secretary of the Board of Park Commissioners of the Gurnee Park District in the county and state aforesaid, and as such Secretary I am the keeper of the records and files of the Board of Park Commissioners of said District.

I do further certify that the attached and foregoing is a true and complete copy of the “Combined Budget and Appropriation Ordinance of the Gurnee Park District, Lake County, Illinois, for the Fiscal Year beginning on the 1<sup>st</sup> of May 2021 and ending on the 30<sup>th</sup> of April 2022” which includes a Certification of Estimate of Revenue by the Chief Fiscal Officer of the District, as adopted by the Board of Commissioners at its properly convened meeting held on the 18th day of May, 2021 as appears from the official records of said District in my care and custody.

IN WITNESS WHEREOF, I have hereunto affixed my official signature and the corporate seal of said District in Lake County, Illinois, on this 18th day of May, 2021.

\_\_\_\_\_  
Secretary, Board of Park Commissioners  
Gurnee Park District

(seal)

ESTIMATE OF REVENUES FOR FISCAL YEAR 2021/2022  
OF GURNEE PARK DISTRICT

The following is an estimate of revenues, by source, anticipated to be received by the Gurnee Park District, Lake County, Illinois, during the fiscal year 2021/2022.

|     |                                     |                     |
|-----|-------------------------------------|---------------------|
| 1)  | Real Estate Taxes                   | \$7,263,819         |
| 2)  | Personal Property Replacement Taxes | \$66,000            |
| 3)  | Fees                                | \$7,113,917         |
| 4)  | Interest Income                     | \$54,924            |
| 5)  | Donations                           | \$0                 |
| 6)  | Grants/Foundation                   | \$0                 |
| 7)  | Reimbursements                      | \$3,720             |
| 8)  | Non-Referendum Bonds                | \$1,112,400         |
| 9)  | Contract Financing                  | \$0                 |
| 10) | Miscellaneous Income                | \$109,775           |
| 11) | Fund Transfer                       | \$459,600           |
|     | TOTAL                               | <u>\$16,184,155</u> |

The undersigned, being the Chief Fiscal Officer of the Gurnee Park District, hereby certifies that the foregoing is an estimate of revenues to be received by the Gurnee Park District during the fiscal year 2021/2022.

Dated: 5/18/2021

---

Michael Szpylman  
Treasurer

## 3.6 Capital Asset Policy

### Statement of Purpose

Assets that have a value of \$10,000 or more and have a useful life of five years or more should be capitalized in the year they are acquired. Improvements done to existing assets that increase the value of the assets should also be capitalized. Normal repairs that merely maintain the asset in its present condition should be recorded as expenditure and should not be capitalized. These assets are categorized as various classes such as Land, Buildings, Improvements other than buildings, Machinery, Furniture and Other Equipment, and Vehicles.

### Administration of the Policy

#### 3.6.1 Valuation

All assets reported as capital assets should be recorded at their historical cost. Cost, for this purpose, includes not only the purchase price or cost of construction, but also any other charges incurred “to place the asset in its intended location and condition for use.”

#### 3.6.2 Capital Asset Classes

Capital assets are classified into four major groups including land, buildings, improvements other than buildings, and machinery and equipment.

The “land” account includes all land purchased or otherwise acquired by the Park District. The land account should include not only the cost of land itself, but also the cost of preparing land for its intended use. Intent, for this purpose, should be judged as of the date of acquisition.

The “buildings” account includes the value of all buildings at purchase price or construction cost. The cost should include all charges applicable to the building, including brokers or architect’s fees and interest on borrowed money during construction.

The “improvements other than buildings” account is used for permanent (i.e., non-detachable) improvements that add value to land (e.g., fences, retaining walls). This account also is used for leasehold improvements (i.e., permanent improvements the Park District makes to property it is leasing under an agreement classified as an operating lease).

The “machinery, furniture, other equipment and vehicles” accounts consists of property that does not lose its identity when removed from its location and is not changed materially or expended in use. This property should be recorded at cost, including freight, installation and other charges incurred to place the asset in use.

Donated assets should be recorded at their estimated fair market value at the date of donation. This rule applies only to donations made from outside the financial reporting entity.

### 3.6.3 Useful Life

Following is a listing of the different classes of assets and their standard useful lives.

| Class                                    | Years    |
|--|----------|
| Land                                     | No limit |
| Buildings                                | 30       |
| Improvements other than buildings        | 5 – 20   |
| Machinery, Furniture and Other Equipment | 5 - 10   |
| Vehicles                                 | 5        |

### 3.6.4 Procedure for Additions & Disposals of Assets

The Finance Department is responsible for keeping the capital asset records up to date. But the primary responsibility for providing the correct information to the Finance department and periodically verifying the accuracy of the information belongs to the Department Heads.

#### A. Additions

Additions to capital asset account group will be done on an annual basis by the Director of Business Services. All assets recorded during the current fiscal year are defined as current year additions. These should include purchases of new as well as used assets, all donated assets and assets acquired through capitalized leases. Once the capital asset list is updated reflecting current year additions, it will be given to Department Heads to verify and make corrections.

#### B. Disposals

All items sold, traded-in, scrapped, abandoned or in any way removed from service during the current fiscal reporting period are classified as disposals. Disposals must be authorized by the Board in accordance with Policy 3.2 of this Manual. When the Department Head receives an updated list of the capital assets at the end of each fiscal year, he/she should verify the information and see if all assets are still in service. If there are assets on the list that are no longer in service, they should be retired.

### 3.6.5 Depreciation

Depreciation is used to reflect the economic loss in the value of an asset. Generally Accepted Accounting Principles (GAAP) requires that the method used to allocate the cost of a capital asset over its estimated useful life be as equitable as possible to the periods during which services are obtained from the use of the asset.

In most cases, the straight line method of depreciation will be used for all assets.



## GURNEE PARK DISTRICT POLICY MANUAL

### 3.8 Fund Balance Policy

#### Statement of Purpose

The purpose of this policy is to establish the principles and parameters to which a Fund Balance target will be defined at the beginning of each budget period. This policy is established to provide financial stability, cash flow for operations, and the assurance that the District will be able to respond to emergencies with fiscal strength.

In the event that unexpected situations may cause the District to fall below the minimum level, certain steps will be followed to correct the deficiency, as outlined in the section below "Minimum Target Balances".

#### Administration of the Policy

##### 3.8.1 Definitions

Governmental Funds – are used to account for all the District’s general activities, including the collection and disbursement of earmarked monies (special revenue funds), the acquisition or construction of general capital assets (capital replacement/development fund), and the servicing of long-term debt (debt service funds). The General Fund is used to account for all activities of the District not accounted for in some other Fund.

Fund Balance – the difference between assets and liabilities in a Governmental Fund

Operating Expenditures – total expenditures minus capital and debt service.

Governmental Funds – Fund Balance will be composed of three primary categories:

1. Non-spendable Fund Balance – the portion of a Governmental Fund’s fund balance that are not available to be spent, whether short or long-term, in either form or through legal restrictions (inventories, prepaid items, land held for resale and endowments).
2. Restricted Fund Balance – the portion of a Governmental Fund’s fund balance that is subject to external enforceable legal restricts (grants, debt proceeds, tax levies).
3. Unrestricted Fund Balance – (three categories)
  - a. Committed Fund Balance – the portion of a Governmental Fund’s fund balance constrained to specific purposes by the government itself, using its highest level of decision-making authority; to be reported as

committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint.

- b. Assigned fund balance - portion of a Governmental Fund's fund balance the government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority.
- c. Unassigned Fund Balance – available expendable resources that are not the object of a tentative management plan.

All Gurnee Park District funds are Governmental Funds.

### 3.8.2 Guiding Parameters

It is the District's philosophy to support long-term financial strategies, where fiscal sustainability is its first priority, while also building funds for future growth. It is essential to maintain adequate levels of fund balance to mitigate current and future risks and to ensure stable tax rates. Credit rating agencies carefully monitor levels of fund balance to evaluate the District's credit worthiness.

The following parameters will be used as part of the budget process to establish targets for the following funds:

General Fund – the unrestricted fund balance target should represent three months of operating expenditures for the budget year being prepared. Balances above the three month target may be transferred to the Capital Replacement/Development Fund with Board approval.

Recreation Fund – the unrestricted fund balance target should represent three months of operating expenditures for the budget year being prepared. Balances above the three month target may be transferred to the Capital Replacement/Development Fund with Board approval.

Capital Replacement/Development Fund – no target is established for this fund. Capital projects are funded through transfers from the General Fund and Recreation Fund as approved by the Board along with interest earned on fund balance. This fund is used to replace aging capital items as well as for the development of new capital or infrastructure. Amounts set aside for capital will be considered restricted, committed or assigned depending on the intended source/use of the funds as approved by the Board.

Social Security, IMRF, Liability Insurance and Audit Funds – these funds have a targeted fund balance of three months of operating expenditures for the budget year being prepared. These funds will be monitored and the taxes levied to support them will be adjusted to ensure they operate within the target range. It may take more than one levy cycle to ensure the funds are operating within the proper range.

Paving and Lighting Fund - the unrestricted fund balance target should represent three months of operating expenditures for the budget year being prepared. Balances above the three month target may be used for capital expenditures related to paving and lighting made out of this fund.

Debt Service (Aquatic Center) Fund – the fund balance target should represent the amount needed for the following fiscal year debt payment scheduled to be made from this fund. The fund is used to accumulate monies for the retirement of alternate revenue bonds issued for the construction of the Aquatic Center. All funds maintained in this fund are restricted for the purpose of paying debt service for the Aquatic Center.

Special Recreation Fund – no target is established for this fund. This fund is used to account for revenues derived from a specific annual property tax levy which is disbursed to the Warren Special Recreation Association to provide special recreation programs for the handicapped and impaired. This fund is also used to make ADA improvements to the Park District's park infrastructure.

Site & Construction Fund – no target is established for this fund. This fund is used to account for capital expenditures associated with acquiring, improving, and maintaining the Park District's properties and equipment. Financing is provided from the proceeds of sale of general obligation bonds, developer donations, grants and interest earned on investments.

Bond & Interest Fund – No target is established for this fund. This fund is used to accumulate monies for the Park District's retirement of general obligation bonded debt. Financing is provided by an annual tax on property levied for the purpose of retiring bonded indebtedness.

### 3.8.3 Flow Assumptions

Some projects (funds) are funded by a variety of resources, including both restricted and unrestricted (committed, assigned and unassigned). When restricted funds exist, those funds are used first, then unrestricted. For unrestricted funds, committed funds are used first, then assigned, then unassigned.

### 3.8.4 Authority/Reporting

Staff will prepare and include in the budget document a schedule that shows the status of the District's balances compared to the Targets outlined in this policy. The Executive Director of the Gurnee Park District is given authority within this policy to assign fund balance to specific projects/expenditures.

### 3.8.5 Minimum Targets

Management will monitor the major revenue collections and the amount of cash available by reviewing the monthly financial reports. During the year, if revenue projections suggest that revenue will not meet expectations and the fund target(s)

will not be met by year-end, the Executive Director will take the following actions to reach the goals established in the adopted budget:

- Review expenses with Department Heads,
- Reduce capital asset expenditures,
- Reduce operational expenditures, where appropriate, while maintaining the adopted budget goals,
- Present to the Board of Park Commissioners other expenditure control options, including those that might modify the goals established in the adopted budget.

### 3.8.6 Deviations from the Policy

Any deviations from this Policy must be approved by a majority of the Board of Park Commissioners with a plan for adhering to this Policy within a defined period of time.

**UPDATED 6/19/2018**



**Gurnee  
Park District**  
PROMOTING FUN. PRESERVING NATURE.

# **FIVE YEAR FINANCIAL PLAN**

## FISCAL YEARS 2021-2022 to 2025-2026

**Presented by:**

**Susie Kuruvilla, CPA, CPRP, Executive Director**

**Michael Szyplman, CPRE, Director of Business Services**

# GURNEE PARK DISTRICT, ILLINOIS

## Five Year Financial Plan May 1, 2021 to April 30, 2026

---

### EXECUTIVE OVERVIEW

The Gurnee Park District has prepared this Five Year Financial Plan covering the current fiscal year, 2021-2022, through fiscal year 2025-26. This multi-year financial plan will be used to guide District Management Staff through the COVID-19 pandemic recovery and beyond.

As with the Annual Operating Budget, this Five Year Financial Plan is prepared consistent with the Park District's mission of promoting fun and preserving nature as well as the Park District vision: *As a nationwide leader in our field, be the premier provider of community driven and innovative park and recreation experiences, while maintaining financial stability.*

A core strength of the Gurnee Park District is financial stability. This financial plan will enable the Park District to proactively and successfully operate through the COVID-19 pandemic recovery and ensure the District remains in a successful financial position through the next five years and beyond.

### COVID-19 PANDEMIC

The COVID-19 Pandemic has had a tremendous impact on Park District operations. The pandemic started in early calendar year 2020 and is still ongoing. The pandemic had the biggest impact on recreation programming, fitness and aquatic center operations. Management estimates just over \$6MM in lost revenue from March 2020 through April 30, 2021.

During this past fiscal year, May 1, 2020 to April 30, 2021, Park District Leadership and staff worked tremendously hard to offer recreation programming and fitness opportunities to the residents and customers of the Gurnee Park District while safely operating within the guidelines of the State re-opening plan. One main financial goal for the Park District during fiscal year 2020-21 was to remain above our fund balance target levels (25% of operating expenditures) in our two main operating funds, Corporate and Recreation. This goal was met through the creativity, innovation, hard work and financial discipline of the entire Park District Team.

### FINANCIAL POLICIES

The Park District operates under a series of financial policies and procedures that outline processes for financial planning, treatment of revenue streams and control of expenditures. The Park District's financial policies seek to improve the programs and services provided to our community as well as enhance the financial capability of the Park District.

The Fund Balance Policy is of particular relevance to the District's long term financial planning. The Park District has set the minimum fund balance level for all non-capital related funds at 25% of annual expenditures. Maintaining these fund balance levels ensures financial stability and gives the Park District the ability to operate successfully during non-normal times.

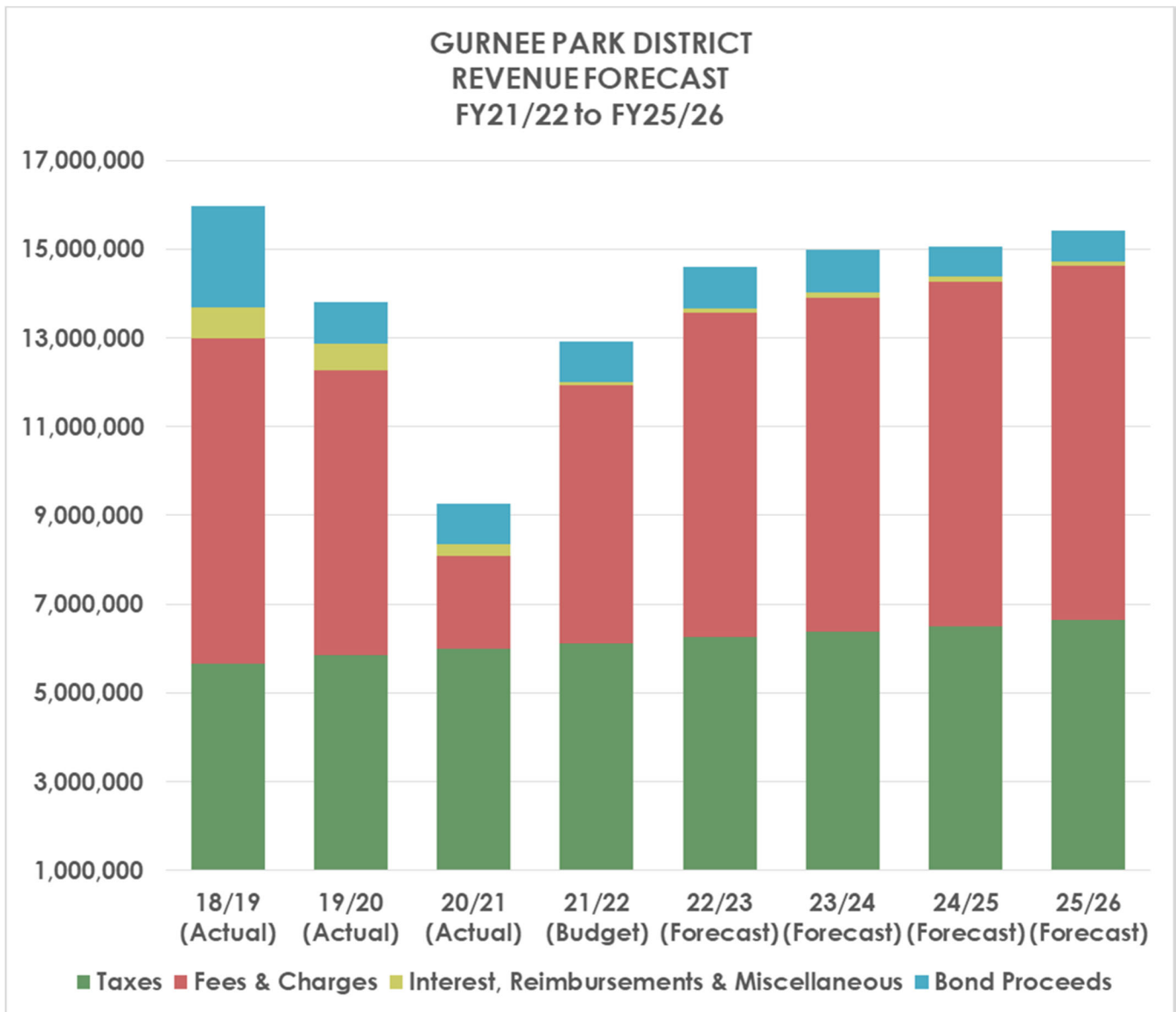
# GURNEE PARK DISTRICT, ILLINOIS

## Five Year Financial Plan May 1, 2021 to April 30, 2026

### REVENUE

The chart and graph below illustrates the forecasted revenue for the next five years (including Bond Proceeds) for the Park District as well as actual revenue for the last three fiscal years.

| Revenue                                  | 18/19<br>(Actual) | 19/20<br>(Actual) | 20/21<br>(Actual) | 21/22<br>(Budget) | 22/23<br>(Forecast) | 23/24<br>(Forecast) | 24/25<br>(Forecast) | 25/26<br>(Forecast) |
|--|-------------------|-------------------|-------------------|-------------------|---------------------|---------------------|---------------------|---------------------|
| Taxes                                    | 5,667,661         | 5,854,852         | 5,983,414         | 6,108,182         | 6,247,579           | 6,371,064           | 6,502,490           | 6,636,682           |
| Fees & Charges                           | 7,313,458         | 6,414,680         | 2,098,218         | 5,818,786         | 7,313,458           | 7,532,862           | 7,758,848           | 7,991,613           |
| Interest, Reimbursements & Miscellaneous | 697,287           | 591,902           | 262,813           | 70,850            | 96,604              | 111,873             | 118,175             | 92,917              |
| Bond Proceeds                            | 2,291,092         | 942,140           | 930,360           | 927,000           | 945,000             | 968,000             | 672,000             | 691,000             |



## GURNEE PARK DISTRICT, ILLINOIS

### Five Year Financial Plan May 1, 2021 to April 30, 2026

---

---

#### REVENUE (continued)

The following assumptions were used in forecasting the Park District revenue –

- **Fees & Charges (Recreation Programming, Fitness Operations and Hunt Club Park Aquatic Center Operations)** - Fiscal year 2022/23 total fees & charges revenue will reach pre-pandemic (2018/19) levels and increase 3% each subsequent year. See Chart on Page 5.
- **Property Tax** - 2% increase each year to account for estimated annual CPI increase. State of IL law allows for capture of CPI increase in annual tax levy.
- **Interest Income** - Conservative interest rate was used to reflect current interest rate climate. Interest calculated based on each fund's prior year ending fund balance.
- **Bond Proceeds** – 2% increase in debt service extension base which is assuming a conservative annual increase in CPI.

The two main revenue sources for the Park District are fees & charges and property taxes. Revenue from fees & charges consists of recreation program revenue, fitness center operations and aquatic center operations. Since the acquisition of FitNation, fees & charges has been the largest revenue source for the District. The impact of COVID-19 lowered our fees & charges revenue in 2020-21. With the lower fees & charges and property taxes increasing slightly due to the annual CPI increase, property tax revenue was the largest source of revenue for the Park District in fiscal year 2020-21.

As part of the recovery from the COVID-19 pandemic, a goal of the Park District is to achieve pre-pandemic (fiscal year 2018-19) fees & charges revenue by fiscal year 2022-2023.

The Park District has seen a small steady growth in property tax revenue over the past several years mainly due to the increase in CPI. Management expects this trend to continue.

The decline in Interest, Reimbursements and Miscellaneous revenue that began in fiscal year 2020-21, is due to the last payment from the Village of Gurnee for the Hunt Club Park Aquatic Center debt.

The large Bond Proceeds amount in 2018-19 is due to the receipt of the Viking Park Maintenance Facility construction bonds.

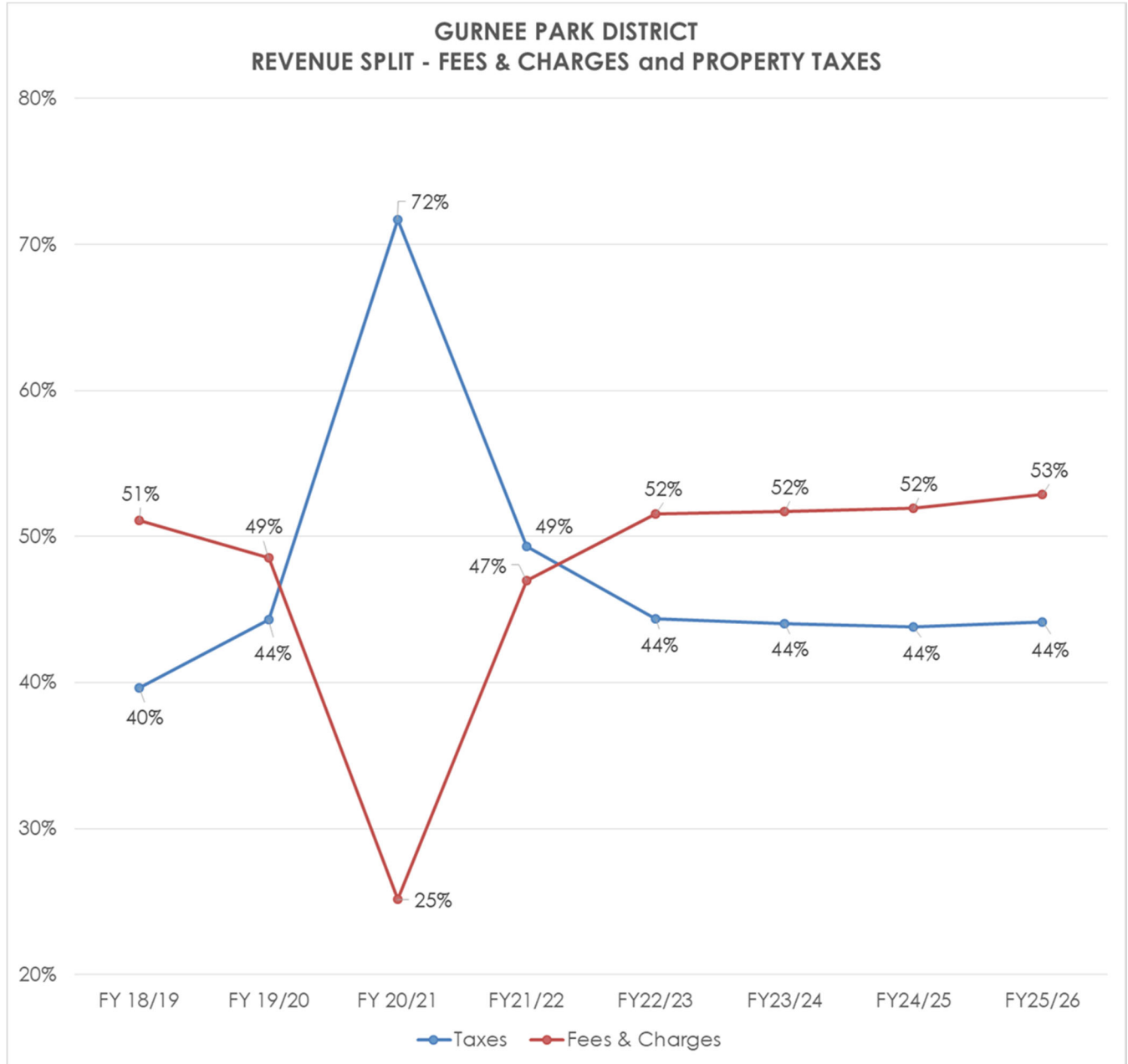
As fees & charges revenue climbs back to pre-pandemic level, the revenue split between the two main revenue sources, fees & charges and property taxes will also revert back to fee & charges being the largest revenue source as illustrated in the chart found on the following page. Having this revenue balance between property taxes and fees for services is very important to the financial stability of the Park District.



# GURNEE PARK DISTRICT, ILLINOIS

## Five Year Financial Plan May 1, 2021 to April 30, 2026

### REVENUE (continued)



# GURNEE PARK DISTRICT, ILLINOIS

## Five Year Financial Plan May 1, 2021 to April 30, 2026

### REVENUE (continued)

| GURNEE PARK DISTRICT<br>FIVE YEAR FINANCIAL PLAN<br>5 YEAR RECREATION PROGRAMS, FITNESS OPERATIONS, and HCPAC REVENUE |                     |                     |                     |                      |                        |                        |                        |                        |
|---|---------------------|---------------------|---------------------|----------------------|------------------------|------------------------|------------------------|------------------------|
| PROGRAM AREA  | FY 2018/19          | FY 2019/20          | FY 2020/21          | Budget<br>FY 2021/22 | Forecast<br>FY 2022/23 | Forecast<br>FY 2023/24 | Forecast<br>FY 2024/25 | Forecast<br>FY 2025/26 |
| Athletics   | 381,372             | 321,162             | 99,676              | 256,010              | 381,372                | 392,813                | 404,597                | 416,735                |
| Gen Youth Rec   | 214,833             | 174,118             | 103,655             | 153,519              | 214,833                | 221,278                | 227,917                | 234,754                |
| CARE  | 773,312             | 607,522             | 258,588             | 523,584              | 773,312                | 796,511                | 820,407                | 845,019                |
| Pre School  | 512,891             | 402,852             | 199,407             | 447,471              | 512,891                | 528,278                | 544,126                | 560,450                |
| Day Camp  | 1,046,689           | 1,051,578           | 170,840             | 969,049              | 1,046,689              | 1,078,089              | 1,110,432              | 1,143,745              |
| Adult Recreation  | 37,996              | 25,439              | (359)               | 11,460               | 37,996                 | 39,136                 | 40,310                 | 41,520                 |
| Rentals   | 72,134              | 55,427              | (181)               | 17,295               | 72,134                 | 74,298                 | 76,527                 | 78,823                 |
| Special Events  | 36,154              | 19,210              | 10,225              | 41,300               | 36,154                 | 37,239                 | 38,356                 | 39,507                 |
| Aquatics  | 339,587             | 333,575             | 68,893              | 261,836              | 339,587                | 349,775                | 360,268                | 371,076                |
| <b>Total</b>  | <b>\$ 3,414,969</b> | <b>\$ 2,990,880</b> | <b>\$ 910,746</b>   | <b>\$ 2,681,525</b>  | <b>\$ 3,414,969</b>    | <b>\$ 3,517,418</b>    | <b>\$ 3,622,941</b>    | <b>\$ 3,731,629</b>    |
| Fitness Center Ops  | 3,325,368           | 2,874,423           | 1,187,473           | 2,504,733            | 3,325,368              | 3,425,129              | 3,527,883              | 3,633,719              |
| HCPAC   | 573,121             | 549,376             | 0                   | 581,128              | 573,121                | 590,315                | 608,024                | 626,265                |
| <b>Grand Total</b>  | <b>\$ 7,313,458</b> | <b>\$ 6,414,680</b> | <b>\$ 2,098,218</b> | <b>\$ 5,767,386</b>  | <b>\$ 7,313,458</b>    | <b>\$ 7,532,862</b>    | <b>\$ 7,758,848</b>    | <b>\$ 7,991,613</b>    |
| Percent Difference<br>from Previous Year  |                     | -12%                | -67%                | 175%                 | 27%                    | 3%                     | 3%                     | 3%                     |

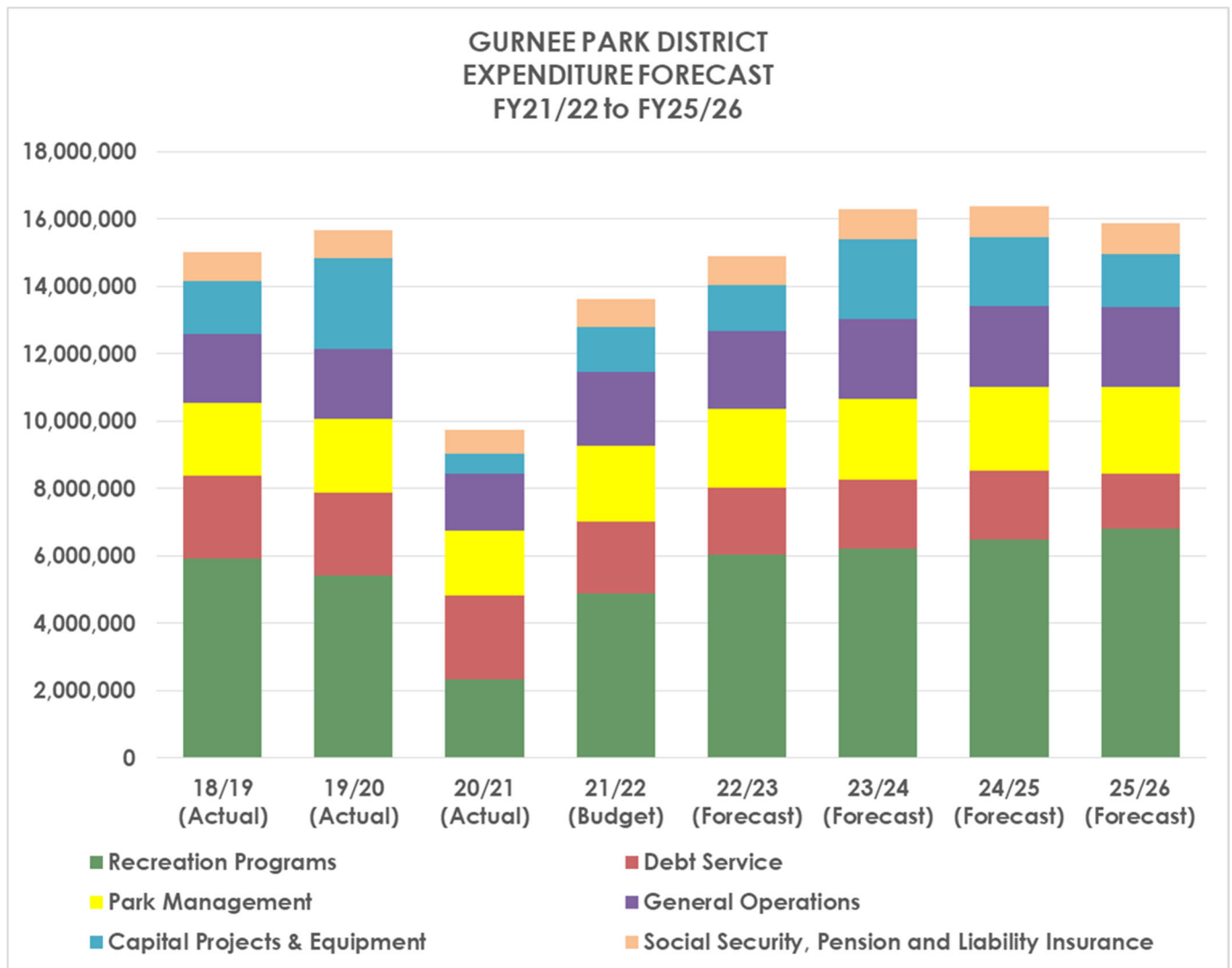
# GURNEE PARK DISTRICT, ILLINOIS

## Five Year Financial Plan May 1, 2021 to April 30, 2026

### EXPENDITURES

The chart and graph below shows the forecasted expenditures for the Park District as well as actual expenditures for the last three fiscal years.

| Expenditures                                     | 18/19<br>(Actual) | 19/20<br>(Actual) | 20/21<br>(Actual) | 21/22<br>(Budget) | 22/23<br>(Forecast) | 23/24<br>(Forecast) | 24/25<br>(Forecast) | 25/26<br>(Forecast) |
|--|-------------------|-------------------|-------------------|-------------------|---------------------|---------------------|---------------------|---------------------|
| Recreation Programs                              | 5,935,547         | 5,420,702         | 2,336,291         | 4,895,619         | 6,032,859           | 6,221,166           | 6,488,747           | 6,806,217           |
| Debt Service                                     | 2,439,678         | 2,461,330         | 2,484,400         | 2,110,247         | 2,001,238           | 2,035,338           | 2,052,488           | 1,645,042           |
| Park Management                                  | 2,182,936         | 2,202,511         | 1,931,736         | 2,264,532         | 2,337,818           | 2,411,986           | 2,488,468           | 2,566,643           |
| General Operations                               | 2,034,642         | 2,046,847         | 1,676,604         | 2,199,511         | 2,315,883           | 2,364,493           | 2,380,641           | 2,360,293           |
| Capital Projects & Equipment                     | 1,576,387         | 2,710,610         | 618,790           | 1,325,100         | 1,349,755           | 2,367,483           | 2,062,473           | 1,568,847           |
| Social Security, Pension and Liability Insurance | 857,164           | 834,294           | 708,721           | 834,566           | 860,849             | 884,506             | 908,829             | 933,838             |



## GURNEE PARK DISTRICT, ILLINOIS

### Five Year Financial Plan May 1, 2021 to April 30, 2026

---

---

#### EXPENDITURES (continued)

The following assumptions were used in forecasting the Park District expenditures –

- Fulltime and administrative part-time positions assume the current budget structure with a 3% increase annually.
- Employee health insurance cost assume 5% annual increase.
- Assume a 2% annual increase for utilities.
- Contractor services utilized by the Park District assume a 3% increase.
- Larger staff training amounts included in fiscal years 2022-23 and 2023-24 to account for a professional customer service training program.
- Computer software expenditures are forecasted consistent with current expenditure levels.
- Professional services are forecasted to include major initiatives listed on page XX.
- Other expenditures forecasted between a 2% and 3% increase.

With the decrease in revenue, the Park District Leadership Team successfully managed expenditures during the COVID-19 pandemic. This was accomplished while offering all programs and services allowable under the State of IL COVID operating guidelines. During the pandemic, Park District outdoor space and recreation offerings such as playgrounds and trails became an extremely popular outlet for community members.

With the forecasting of revenue reaching pre-pandemic levels by fiscal year 2022-23 and to grow in subsequent years, management predicts expenditures will also follow this pattern. With that said, there are several efficiencies learned while operating under pandemic conditions which the Park District staff will carry forward allowing the District to offer more with less resources.

As the premier provider of recreational opportunities in our community, Recreation Program expenditures are forecasted to increase slightly each year to correlate with the increase in fees & charges revenue.

Debt Service expenditures will decrease this fiscal year, 2021-22, as the last payment on the Hunt Club Park Aquatic Center was made in January 2020 and will decrease again after fiscal year 2024-25 as the last payment on the Hunt Club park Community Center is made December 2024. Debt service payments are funded through the Park District's annual debt service property tax levy, the Park District's annual rollover bond, and fitness operations revenue. The debt service payments for FitNation are budgeted annually to be paid entirely from FitNation operating revenue.

Park Management expenditures are forecasted to increase slightly each year to reflect the anticipated increase in materials and supplies as well as utilities.

General Operations expenditures are also anticipated to increase slightly each year to support the expected increase in recreational programming and park maintenance operations.

# GURNEE PARK DISTRICT, ILLINOIS

## Five Year Financial Plan May 1, 2021 to April 30, 2026

### EXPENDITURES (continued)

Capital projects are funded through the Capital Replacement/Development Fund, prior year accumulated fund balances, and the Park District's annual rollover bonds. Capital projects are planned out using the

Board approved Five Year Capital Plan which is developed using the District's Master Plan and annual evaluation of each park site and facility. The table below shows the estimated capital projects expenditures and available funds dedicated to capital projects for the next five years.

|  | FY 2021/22         | FY 2022/23         | FY 2023/24         | FY 2024/25       | FY 2025/26         |
|--|--------------------|--------------------|--------------------|------------------|--------------------|
| <b>Fiscal Year Capital Projects Expenditures</b> | \$1,127,675        | \$1,124,100        | \$2,074,500        | \$1,804,000      | \$1,090,870        |
| <b>Available Funds - Beginning Fiscal Year</b>   | \$3,248,073        | \$2,879,038        | \$2,743,182        | \$1,717,540      | \$688,455          |
| <b>Capital Funds Inflow</b>                      |                    |                    |                    |                  |                    |
| Interest Income                                  | \$29,600           | \$46,599           | \$51,909           | \$43,662         | \$34,780           |
| Annual rollover bond proceeds                    | \$474,900          | \$490,950          | \$512,750          | \$221,000        | \$674,550          |
| ADA fund - 25% of total levy towards capital     | \$77,740           | \$75,195           | \$72,699           | \$70,253         | \$72,858           |
| Funds from Paving and Lighting Fund              | \$26,400           | \$25,500           | \$11,500           | \$15,000         | \$30,000           |
| Transfer in from Corp and Rec Funds              | \$150,000          | \$350,000          | \$400,000          | \$425,000        | \$450,000          |
| <b>Total Capital Funds Inflow</b>                | <b>\$758,640</b>   | <b>\$988,244</b>   | <b>\$1,048,858</b> | <b>\$774,915</b> | <b>\$1,262,188</b> |
| <b>Available Funds - Fiscal Year End</b>         | <b>\$2,879,038</b> | <b>\$2,743,182</b> | <b>\$1,717,540</b> | <b>\$688,455</b> | <b>\$859,773</b>   |

Social Security, Pension and Liability Insurance expenditures are forecasted to increase slightly each year in anticipation of part-time and seasonal staff growth is needed to support the growth in recreation programming and fitness operations.

The State of Illinois minimum wage increase continues to effect the Park District. The Park District relies heavily on seasonal and part-time staff to deliver our programming and services. The minimum wage increase continues to impact these costs. Current minimum wage as of January 1, 2021 is \$11.00 per hour, up from \$8.25 in 2019, and is scheduled to increase \$1.00 every year until minimum wage reaches \$15.00 per hour in 2025.

Park District Management is always prepared to adjust expenditures as conditions effect the revenue the Park District can generate. Historically, the main operating funds of the Park District, Corporate and Recreation, achieve positive net results. Fund balance in excess of the required fund balance target in the Corporate and Recreation Fund are transferred to the Capital Replacement/Development Fund on an annual basis.

# GURNEE PARK DISTRICT, ILLINOIS

## Five Year Financial Plan May 1, 2021 to April 30, 2026

### MAJOR INITIATIVES

During the next five years, the Park District plans to complete many major initiatives. These initiatives will ensure the District remains an industry leader and is providing the highest value to the community.

The chart below lists the major initiatives.

| Initiative                | Timeframe                    | Fiscal Year | Estimated Cost |
|---------------------------|------------------------------|-------------|----------------|
| Salary Study              | Summer/Fall 2022             | 2022/23     | \$ 13,000      |
| Community Survey          | Spring 2023                  | 2022/23     | \$ 20,000      |
| Strategic Plan            | Spring/Summer 2023           | 2023/24     | \$ 15,000      |
| Master Plan               | Spring/Summer/Fall 2023      | 2023/24     | \$ 20,000      |
| IAPD Distinguished Agency | Fall/Winter/Spring 2023/2024 | 2023/24     | \$ 3,000       |
| CAPRA                     | Summer/Fall 2024             | 2024/25     | \$ 10,000      |
| Gold Medal                | Spring/Summer 2025           | 2025/26     | \$ 7,500       |

### FUND BALANCE

The Park District budget is guided by the Fund Balance Policy to maintain a prudent level of financial resources to protect against revenue shortfalls or unpredicted expenditures. The fund balance policy for most funds is to have a minimum fund balance of 25% of the operating expenditures. Maintaining these fund balance levels ensures financial stability and gives the Park District the ability to operate successfully during non-normal times.

The table below outlines the fund balance forecasts for each of the Park District Funds.

| FUND                          | FY21/22<br>(Budget) | FY22/23<br>(Plan)   | FY23/24<br>(Plan)   | FY24/25<br>(Plan)   | FY25/26<br>(Plan)   | Fund Balance*<br>Target Amount | Excess*<br>(Deficiency) | Explanation of Target<br>Amount |
|-------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|--------------------------------|-------------------------|---------------------------------|
| CORPORATE                     | 788,762             | 793,039             | 747,753             | 718,160             | 730,554             | 537,932                        | 250,830                 | 25% of operating expenditures   |
| SITE & CONST (Dev donation)   | 76,512              | 36,778              | 1,645               | 1,162               | 173                 | -                              | 76,512                  | no specified amount             |
| SITE & CONST (bonds)          | 6,382               | 3,395               | 16,179              | (310,659)           | (71,215)            | -                              | 6,382                   | no specified amount             |
| CAPITAL REPL / DEVL           | 4,815,196           | 4,979,046           | 4,154,787           | 3,622,235           | 3,293,887           | -                              | 4,815,196               | no specified amount             |
| RECREATION                    | 2,148,008           | 2,148,008           | 2,290,889           | 2,353,467           | 2,392,912           | 1,933,044                      | 214,965                 | 25% of operating expenditures   |
| HUNT CLUB PARK AQUATIC CENTER | -                   | -                   | -                   | -                   | -                   | -                              | -                       |                                 |
| AUDIT                         | 8,334               | 8,268               | 8,541               | 8,678               | 8,644               | 7,665                          | 669                     | 25% of operating expenditures   |
| PAVING & LIGHTING             | 23,889              | 21,403              | 34,090              | 44,626              | 41,512              | 9,250                          | 14,639                  | 25% of operating expenditures   |
| REC FOR HANDICAPPED           | 256,926             | 209,691             | 209,486             | 206,834             | 156,760             | -                              | 256,926                 | no specified amount             |
| LIABILITY INSURANCE           | 73,187              | 55,833              | 58,288              | 60,775              | 63,295              | 45,141                         | 28,045                  | 25% of operating expenditures   |
| IMRF                          | 102,261             | 85,286              | 85,020              | 86,419              | 88,917              | 81,000                         | 21,261                  | 25% of operating expenditures   |
| SOCIAL SECURITY               | 128,323             | 83,602              | 84,932              | 88,001              | 87,744              | 82,500                         | 45,823                  | 25% of operating expenditures   |
| BOND & INTEREST               | 8                   | 6,707               | 14,032              | 31,917              | 42,506              | -                              | 8                       | no specified amount             |
| DEBT SERVICE (Aquatic Center) | -                   | -                   | -                   | -                   | -                   | -                              | -                       | Following year's debt payment   |
| <b>TOTAL</b>                  | <b>\$ 8,427,787</b> | <b>\$ 8,431,056</b> | <b>\$ 7,705,642</b> | <b>\$ 6,911,615</b> | <b>\$ 6,835,690</b> | <b>\$ 2,696,532</b>            | <b>\$ 5,731,256</b>     |                                 |

\* Fund balance target amounts and the corresponding excess (deficiency) represents the current fiscal year budgeted year-end fund balance compared to the target amount. The excess amount of fund balance over

**GURNEE PARK DISTRICT, ILLINOIS**

**Five Year Financial Plan  
May 1, 2021 to April 30, 2026**

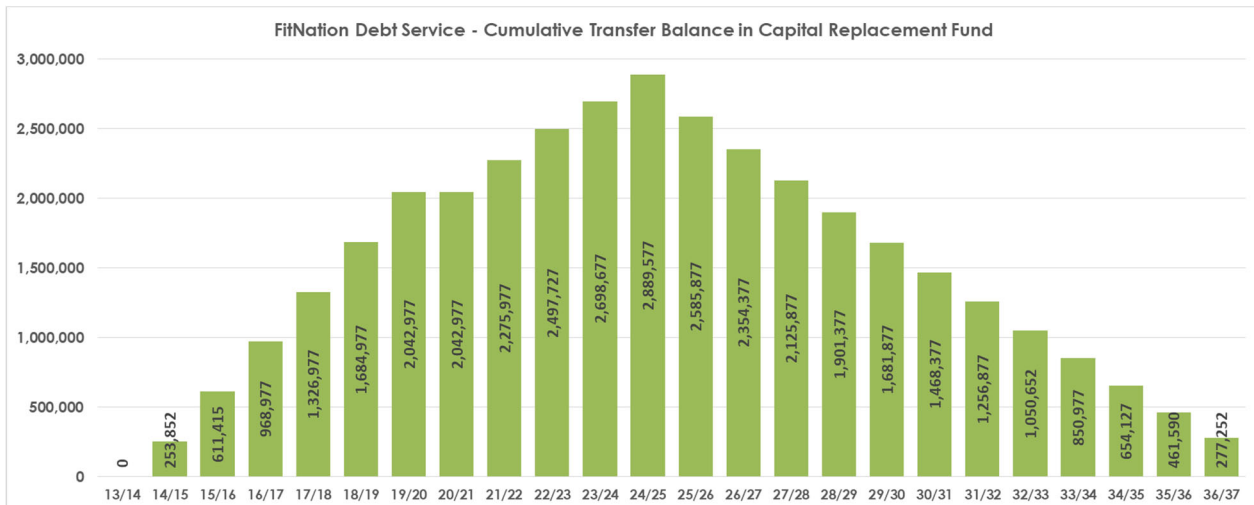
**FUND BALANCE (continued)**

fund target of \$5,731,256 is mainly due to the funds that do not have a designated target. The nature of the funds without fund balance targets are for capital projects and bond payments. These funds are not used for operational expenditures.

The Capital Replacement and Development Fund is used to accumulate funds for the replacement and development of capital assets and infrastructure. Total budgeted fund balance in the Capital Replacement and Development Fund for April 30, 2022 is \$4,815,196, of which \$2,307,998 is for general capital needs of the Park District, \$2,275,978 is reserved for future debt payments on the FitNation bonds, \$231,220 is reserved for future capital needs of the FitNation building. The primary source of funding is transfers from the Corporate and Recreation Funds. Included in the five year financial forecast are the following annual transfers into the Capital Replacement and Development Fund –

- \$100,000 general capital needs (\$50,000 each from the Corporate and Recreation Funds)
- FitNation capital needs from fitness operations revenue (21/22 - \$150,000; 22/23 - \$250,000; 23/24 - \$300,000; 24/25 - \$325,000; 25/26 - \$350,000)
- FitNation future debt service payments from fitness operations revenue (21/22 - \$233,000; 22/23 - \$221,750; 23/24 - \$200,950; 24/25 - \$190,900; 25/26 - \$0)

The FitNation debt payment schedule is set-up to have payment amounts increase later in the life of the bonds. Total debt service (including the remaining HCPCCC debt that is paid out of fitness operations) amortized equally over the 23 year life of the bonds is around \$855,000 per year. This amount is included in the annual FitNation operating budget with the amounts over the actual annual debt payments transferred to the Capital Replacement and Development Fund. When the annual debt payments increase to over \$855,000 annually, the difference will be paid out of the reserved amount in the Capital Replacement and Development Fund. The chart below shows the annual balance of the FitNation debt service reserve in the Capital Replacement and Development Fund through the fiscal year as the bonds are paid out.



## GURNEE PARK DISTRICT, ILLINOIS

### Five Year Financial Plan May 1, 2021 to April 30, 2026

---

---

#### DEBT MANAGEMENT

Park District residents call for quality facilities and parks, so the District budgets capital and infrastructure expenditures for recreation activities and open space. Therefore, the costs associated with acquiring and improving many long-term capital assets are met with the issuance of debt and surplus operations. The Park District reviews existing obligation structure, current and projected surplus from operations and future liability levels before making decisions to issue new debt.

The Park District debt management is guided by the Debt Issuance and Management Policy. The issuance of each type of debt may differ and the Park District takes that into account during the selection process. Selection based on borrowing costs or the interest rate on a bond is an essential factor in determining the selection of a bond. Selection has important implications for both present and future taxpayers over the life of the debt which the Park District will take into consideration.

The Park District works with its financial advisors to determine the need of obtaining a municipal bond rating. This determination is made singularly as the need for bonds arise and will be made on an issue-by-issue basis. Consideration is given to the amount of the bond, length of the bond, local financial institutions' willingness to purchase the bond unrated at competitive rates, or any other material factors that would allow the Park Board to make the best fiscal determination on behalf of the public trust. On March 28, 2019 the Park District received a AA+ rating from Standard and Poor's for the Series 2019 bond issue, the Park District's most recent issue. Standard and Poor's stated in their Rating Rationale Report that **"Recent financial performance has been, in our view, strong. Overall finances remain, what we consider, very strong"**.

The Park District currently has three outstanding long term debt issuances –

**Series 2013 A & 2014 A General Obligation Bonds - Alternative Revenue Source (\$8,510,000 & \$1,990,000)** – On December 17, 2013 and January 21, 2014 the Park District issued a total of \$10,500,000 in general obligation alternative revenue source bonds to finance the acquisition and rehabilitation of FitNation. FitNation is a 75,000 square foot fitness center located just off Interstate 94. The FitNation space encompasses an expansive fitness floor with cardio and weight lifting machines and equipment, a large gymnasium, five lane lap pool with hot tubs, several specialized group exercise studios, childcare room, and well-appointed locker rooms with sauna and steam rooms. The Park District uses revenues from the fitness operations accumulated in the Recreation fund to pay debt service on these bonds. The combined outstanding principal balance as of April 30, 2021 is \$10,500,000.

**Series 2015 B General Obligation Refunding Park Bonds - Alternative Revenue Source (\$3,910,000)** – On June 21, 2005 the Park District issued a total of \$6,310,000 in debt certificates to finance the construction of the Hunt Club Park Community Center. On November 4, 2015 the Park District took the opportunity to refinance the Hunt Club Park Community Center debt and issued \$3,910,000 in general obligation refunding alternative revenue source bonds. The refunding will save the Park District around \$300,000 over the remaining life of the bonds. The Hunt Club Park Community Center is a 44,000 square foot facility that has a 4,000 square foot fitness center, basketball court, preschool rooms, administrative offices and a dance studio. The Park District uses revenue from fitness center operations (\$65,000)



# GURNEE PARK DISTRICT, ILLINOIS

## Five Year Financial Plan May 1, 2021 to April 30, 2026

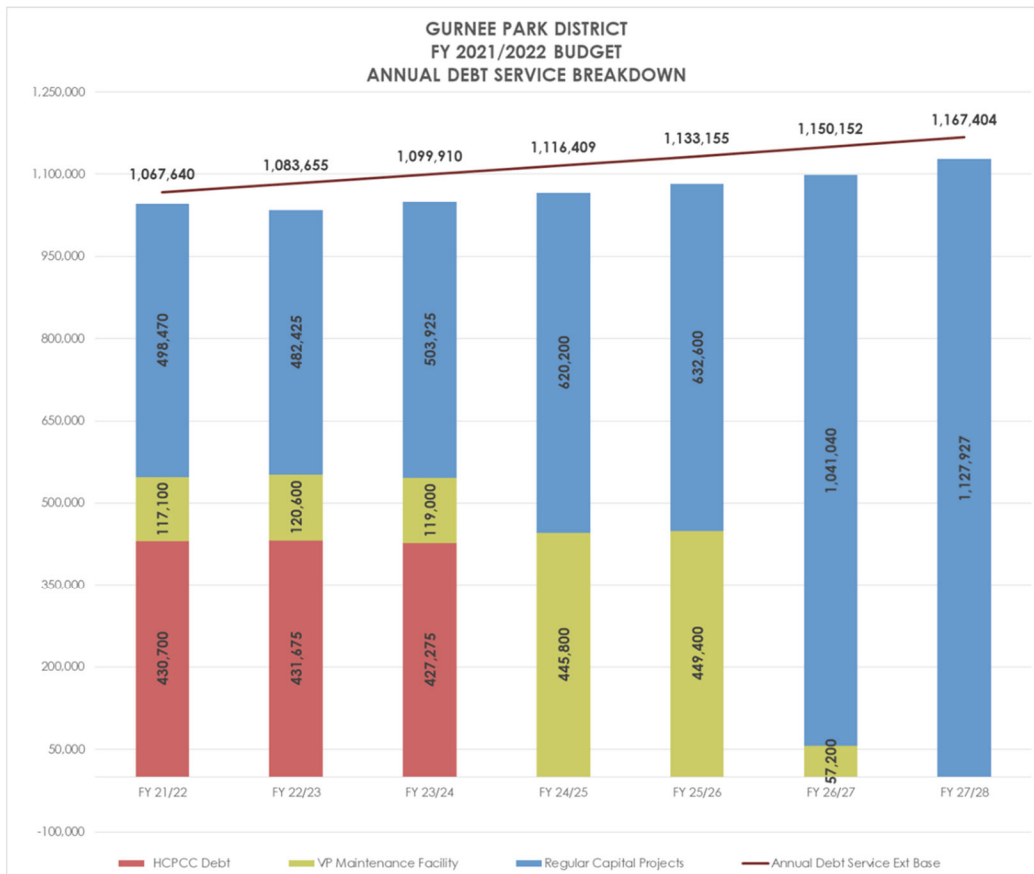
### DEBT MANAGEMENT (continued)

accumulated in the Recreation Fund and property tax revenues to pay the debt service on this bond issue. The outstanding principal balance as of April 30, 2021 is \$1,865,000.

#### Series 2019 General Obligation limited tax park bonds (\$1,205,000) –

On April 16, 2019 the Park District issued \$1,205,000 in general obligation limited tax park bonds to finance the construction of the new maintenance facility located at Viking Park. The new facility replaced the 40 year old pole barn and includes a woodworking shop, office space, work area, ample storage for parks and recreation needs, lunchroom, bathroom and laundry area. The new maintenance facility also improves the efficiency of the Parks Team to service the eastside of the District. The outstanding principal balance as of April 30, 2021 is \$1,205,000.

Pursuant to IL State Statute, the Park District is allowed an annual debt service tax extension. The annual tax extension is used to pay off the Viking Park Maintenance Facility bonds which are directly attached to the debt service tax extension. The Park District issues one year general obligation limited tax bonds annually in the amount of the annual debt service tax extension less the VP Maintenance Facility bonds. This annual bond is used to pay the annual payment on the Hunt Club Park Community Center bonds as well as fund a portion of annual ongoing capital project. The chart below illustrates the Park District's plan for the use of the allowable annual debt service extension.



## GURNEE PARK DISTRICT, ILLINOIS

### Five Year Financial Plan May 1, 2021 to April 30, 2026

---

---

#### **DEBT MANAGEMENT (continued)**

The Park District's statutory debt limit is 2.875% of the Equalized Assessed Valuation of all taxable property located within the boundaries of the district. The Park District currently has 93% legal debt margin available. Bonds are not included in the computation of statutory indebtedness unless taxes levied to pay for such obligations are in fact extended.

#### **FINANCIAL REPORTING EXCELLENCE**

**Distinguished Budget Presentation Award** - The Government Finance Officers Association (GFOA) established the Distinguished Budget Presentation Awards Program in 1984 to encourage and assist state and local governments to prepare budget documents of the very highest quality that reflect both the guidelines established by the National Advisory Council on State and Local Budgeting and the GFOA's best practices on budgeting and then to recognize individual governments that succeed in achieving that goal. Documents submitted to the Budget Awards Program are reviewed by selected members of the GFOA professional staff and by outside reviewers with experience in public-sector budgeting. The Gurnee Park District has received this award every year beginning with the first submission for the fiscal year 2010-2011 annual budget. The Park District plans to continue to prepare the GFOA budget document and submit for the award annually.

**Certificate of Achievement for Excellence in Financial Reporting** - The GFOA established the Certificate of Achievement for Excellence in Financial Reporting Program (COA) in 1945 to encourage and assist state and local governments to go beyond the minimum requirements of generally accepted accounting principles to prepare comprehensive annual financial reports that evidence the spirit of transparency and full disclosure and then to recognize individual governments that succeed in achieving that goal. The goal of the program is not to assess the financial health of participating governments, but rather to ensure that users of their financial statements have the information they need to do so themselves. Documents submitted to the COA Program are reviewed by selected members of the GFOA professional staff and by outside reviewers with experience in public-sector finance. The Gurnee Park District has received this award every year beginning with the first submission for the fiscal year 1998-1999 comprehensive annual financial report. The Park District plans to continue to prepare the GFOA financial report document and submit for the award annually.

#### **SUMMARY**

As a National Gold Medal winner, the Park District has a core standard of never accepting the status quo, but instead to always move forward providing excellent services and recreational opportunities to our great community while being prudent stewards of the District's finances.

The COVID-19 pandemic brought once in a life-time challenges. The Leadership Team worked extremely hard to offer recreation programming and fitness opportunities to the residents and customers of the Gurnee Park District while safely operating within the guidelines of the State re-opening plan. Even with all this hard work, the pandemic did have a tremendous impact on District operations.

## **GURNEE PARK DISTRICT, ILLINOIS**

### **Five Year Financial Plan May 1, 2021 to April 30, 2026**

---

---

Because of the Park District's successful history of operating with financial discipline and always maintaining financial stability, we will emerge from the pandemic in the best possible financial position. As the pandemic recovery continues and eventually, COVID-19 is behind us, the Park District will be in a position to become even stronger and serve the community in a larger more efficient manner.

This five year financial plan as presented will guide the Park District to proactively and successfully operate through the COVID-19 pandemic recovery and ensure the District remains in a successful financial position through for the next five years and beyond.

At Gurnee Park District we are extremely proud of the amazing parks, recreational programs and services we provide to the community. Management is very excited about the future and our ability to raise value we provide to the community to an even higher level while maximizing efficiency.

## GLOSSARY

**ADA** – Americans with Disabilities Act, legislation that defines accessibility standards for facilities, programs and informational material.

**AED** – Automated external defibrillators, which operate automatically to restore heartbeat, are now located in all of the district's facilities.

**Annual Budget** – A plan approved by the Board of Commissioners for raising and expending monies for the recreation interests of its residents.

**Appropriations** – Amounts expended for the administration, maintenance and management of properties and programs for the Gurnee Park District.

**APRP** – Associate Park and Recreation Professional.

**B & A** – Budget and Appropriation Ordinance considered by the Board of Commissioners.

**Board of Park Commissioners** – Independent board of five individuals elected at large for alternating four year terms by the residents of the Gurnee Park District.

**CAFR** – Acronym for the Comprehensive Annual Financial Report.

**CARE** – Acronym for Children Active in Recreation Enrichment, before and after school programs for children in preschool through 8<sup>th</sup> grade.

**CPA** – Certified Public Accountant.

**CPR** – Cardiopulmonary Resuscitation consists of mouth-to-mouth respiration and chest compression and allows oxygenated blood to circulate to vital organs such as the brain and heart.

**CPRA** – Certified Park and Recreation Associate, a designation that may be used by professionals that meet certain years of experience.

**CPRE** – Certified Park and Recreation Executive, a designation that may be used by professionals that have a bachelor's or higher degree, meet certain years of experience and successfully pass an examination administered by the NRPA.

**CPRP** – Certified Park and Recreation Professional, a designation that may be used by professionals that have a bachelor's or higher degree, meet certain

years of experience and successfully pass an examination administered by the NRPA.

**Carry Over Capital Projects** – Capital projects that were appropriated and the Board or Staff believes are important enough to work on in the new fiscal year.

**Committee of the Whole** – Board of Commissioners Committee consisting of all the Board members and is chaired by the Board President. No action may be taken at a Committee of the Whole meeting.

**Cooperative Partnerships** – The park district cooperates with many nonprofit organizations including Gurnee Youth Baseball, FC Lake County, Blue Devil Swim Club, Warren Blue Devils Baseball Club, Warren Area Lacrosse, Gurnee/Warren Twp. Healthy Communities/Healthy Youth Initiative and the Lake County After School Coalition.

**EAV** – Equalized Assessed Valuation, property value on which real estate taxes are levied.

**Ellis and Associates** – A program of lifeguard training and evaluation to assure pool patron safety.

**Fund** – Fiscal and accounting tool with a self-balancing set of accounts to record revenue and expenditures.

**GAAP** – Generally accepted accounting principles.

**GASB** – Government Accounting Standards Board.

**GFOA** – Government Finance Officers' Association.

**HCPAC** - Hunt Club Park Aquatic Center, a 1500-bather capacity zero depth outdoor pool with full service concession stand and bath house, cooperatively funded with the Village of Gurnee.

**HCPCC** – Hunt Club Park Community Center, a 44,000 square foot building adjacent to the outdoor aquatic center, opened in October 2006 housing preschool rooms, dance/fitness rooms, meeting rooms, family activity and before/after school program area, gymnasium, rock climbing wall, and a community fitness center.

**IAPD** – Illinois Association of Park Districts is a statewide organization of park districts that ensures the quality of parks and recreation through education, research and advocacy.

**IMRF** – Illinois Municipal Retirement Fund is a state established retirement fund for municipal workers. Both the employee and the Park District pay into this defined benefit plan.

**Incode** – The financial/accounting/payroll software used by the Park District.

**Intergovernmental Agreement** – The Park District maintains intergovernmental agreements with several taxing bodies including the Village of Gurnee, Gurnee Grade School District 56, Woodland School District 50, Warren Township High School District 121, and SEDOL.

**IPRA** – Illinois Parks and Recreation Association is a statewide organization of park and recreation professionals that advocates the lifetime benefits of parks, recreation and conservation.

**MainTrac** – The work order, maintenance tracking and inspection software used by the Park District.

**Modified Accrual Accounting** – This basis of accounting recognizes an economic transaction or event as revenues in the operating statement when the revenues are both measurable and available to liquidate liabilities of the current period. Expenditures are generally recognized when an event or transaction is expected to draw on current expendable resources.

**NRPA** – National Recreation and Parks Association is an organization of citizen boards and professionals interested in the parks and recreation operations in the United States.

**PDRMA** – Park District Risk Management Agency, is an association of 149 park districts that pool resources in order to maximize the safe working and playing conditions of the parks while managing the risk of recreation activities.

**RecTrac** – Customer registration and membership software used by the Park District.

**SOFFI** – Customer service standards of the Park District: Serve, Ownership, Family, Fun and Integrity.

**Tax Levy** – The amount the Park District requests from the property owners, both commercial and residential, to fund the recreational activities of the community.

**Tax Rate** – The rate derived from dividing the tax levy by the EAV. The tax rate, combined for all funds, is multiplied by the equalized assessed valuation of each real estate parcel to arrive at the taxes owed by each parcel owner.

**WebTrac** – Online customer registration component of the RecTrac software used by the Park District.

**WSRA** - Warren Special Recreation Association, a partnership of Warren Township, Gurnee Park District, Wildwood Park District and Grandwood Park District dedicated to meeting the recreational needs of people with physical, mental and emotional disabilities.