
E L M H U R S T P A R K D I S T R I C T
B O A R D O F P A R K C O M M I S S I O N E R S
M E M O R A N D U M

DATE: January 25, 2021

TO: Board of Park Commissioners

FROM: James W. Rogers, Executive Director
Barbara Stembridge, Division Manager - Finance
Laura Guttman, Division Manager - Strategy & Planning

**RE: 2021 PROPOSED BUDGET: OVERVIEW, CAPITAL AND DEBT
PRESENTATION**

ISSUE

Staff will provide an overview of the proposed 2021 budget, along with the proposed 2021 Capital Budget and Long-range Capital Plan and Debt Service in advance of the proposed 2021 operational budget presentation at the February 22, 2021 meeting.

DISCUSSION

To provide transparency to the Board and community, staff comprehensively present, explain, and answer questions regarding changes and trends in the proposed budget as compared to prior years. To accomplish this goal, staff will present an overview of the proposed 2021 budget along with the attached proposed 2021 capital budget and 2021-30 Long-range Capital Plan and proposed debt service separate from the District's operational budget, which will be presented in February. In order to have the budget fully and accurately reflect the impact of the pandemic while continuing to adhere to State law, the budget scheduled was revised once more as listed on page 2.

Similar to prior years, this presentation will provide the Board additional time to review and discuss a significant portion of the proposed budget and focus separately on the proposed 2021 operating budget.

RECOMMENDATION

That the Board of Park Commissioners review and discuss the overview of the proposed 2021 budget along with the attached 2021 capital budget and Long-range Capital Plan and Debt Service.

Thank you.

Attachment: District Cash & Investments
Proposed 2021 Budget Document: Capital Improvement Plan
Proposed 2021 Budget Document: Debt Service

Revised Modified 2021 Budget Schedule

✓ Approve Tax Levy Resolution	10/12/20
✓ Approve Tax Levy Ordinance	12/14/20
✓ Achieve Consensus on the 2021 Strategic Work Plan Goals and Tactics	12/14/20
✓ Present 2021 Proposed Budget Overview, Capital Plan and Debt	01/25/21
○ Present 2021 Proposed Operating Budget	02/22/21
○ Conduct 2021 Proposed Budget Public Hearing	03/08/21
○ Continue 2021 Proposed Budget Discussion	03/08/21
○ Approve 2021 Budget Document and 2021 Budget and Appropriation Ordinance and Tax Levy Ordinance	03/22/21

Elmhurst Park District

A	B	C	D	E	F	G	H	I	J	K	L	M	N	
Fund/Department	Ending 12/31/2019 Cash & Investments	2020 Budget Operating Revenue	2020 Budget Operating Expenses	2020 Unaudited (Dec) Operating Revenue	2020 Unaudited (Dec) Operating Expenses	Unaudited 12/31/2020 Cash & Investments	2021 Projected Operating Revenue	2021 Budgeted Operating Expenses	Proposed 12/31/21 Cash & Investments	Target %	Budgeted Tier 1 Original 2020 Fund Target	Will the 2020 target be met?	Tier 2 Amount Over (Under) Tier 1 Target	
1	General	3,028,125	3,981,178	4,210,344	4,058,489	3,097,835	3,988,779	4,067,801	3,418,539	4,638,041	35%	1,473,620	YES!	3,164,421
2	Recreation	3,353,414	5,990,999	6,840,535	2,709,292	3,669,779	2,392,927	4,003,754	3,828,013	2,568,668	10%	684,054	YES!	1,884,614
3	Enterprise Svcs	3,030,581	4,468,937	4,780,891	1,717,799	2,795,727	1,952,653	2,430,717	3,135,558	1,247,812	15%	1,917,134	YES!	(669,322)
4	IMRF	389,705	442,844	442,690	447,391	341,552	495,544	377,078	506,858	365,764	50%	221,345	YES!	144,419
5	FICA	324,903	446,755	464,267	453,696	284,090	494,509	401,180	481,345	414,344	50%	232,134	YES!	182,210
6	Liability Insurance	96,119	265,249	265,041	268,472	250,325	114,266	266,557	321,695	59,128	10%	26,504	YES!	32,624
7	Audit	45,723	60,432	60,021	63,810	51,065	58,468	63,428	57,797	64,099	50%	30,011	YES!	34,089
8	SRA	547,403	807,914	713,083	825,524	360,366	1,012,561	818,293	614,443	1,216,411	25%	178,271	YES!	1,038,140
9	Museum	186,826	293,444	346,684	296,760	308,674	174,912	293,644	288,759	179,797	25%	86,671	YES!	93,126
10	Sugar Creek	24,546	1,070,452	1,070,328	886,146	865,150	45,542	1,097,970	1,096,705	46,807		300,000	No	(253,193)
		11,027,345	17,828,204	19,193,884	11,727,379	12,024,563	10,730,161	13,820,422	13,749,712	10,800,871		5,149,743		5,651,128
11	Debt Service	244,623	1,775,038	2,009,247	1,782,403	2,007,271	19,755	2,045,292	2,044,016	21,031				
12	Paving & Lighting	21,785	146,464	144,393	143,034	84,800	80,019	136,375	-	216,394				
13	Capital Improvement Fund	2,080,295	944,757	1,978,399	756,068	885,728	1,950,635	1,913,959	2,852,603	1,011,991				
14	Restricted Capital Improvement Fund	102,253	-	-	-	-	102,253	-	-	102,253				
15	IT Cash	24,285	-	-	-	-	21,086	-	-	21,086				
		13,500,586	20,694,463	23,325,923	14,408,884	15,002,362	12,903,909	17,916,048	18,646,331	12,173,626				

Capital improvements enhance, expand or maintain the infrastructure that the District needs to provide programs and services to the community and support new growth and development. To ensure a high quality of services and amenities, infrastructure expansion and improvements must continue as the District's demographics change and facilities age. The District's ten-year Long-range Capital Improvement Plan (CIP) details long-range capital improvement needs by outlining nearly \$24 million in asset management, equipment, and technology improvements and nearly \$114 million in new and major redevelopment projects that the District targets to implement during a multi-year period. Similar to the Vision 2020 Comprehensive and Strategic Plan, the CIP is a long-range planning tool that is annually reviewed and modified as funds and priorities change.

The District defines a capital project as:

- Relatively high monetary value:
 - At least \$5,000 for operating equipment and machinery.
 - At least \$25,000 for land acquisition and improvements.
- Long useful life (at least five years).
- Results in the creation of a fixed asset or the revitalization of a fixed asset.

The above definition of a capital project includes:

- Construction of new facilities;
- Remodeling or expansion of existing facilities;
- Purchase, improvement and development of land;
- Operating equipment and machinery for new or expanded facilities; and
- Planning and engineering costs related to a specific capital improvement.

The first year in the CIP becomes the capital budget for that fiscal year. Projects slated for subsequent years in the plan are approved on a planning basis only and do not receive funding until they are incorporated into the annual capital budget. Capital project revenues and expenses that do not fit within this definition (such as ongoing facility maintenance and repairs) are budgeted in the appropriate funds such as the General, Recreation, Museum, Special Recreation Association, Enterprise Services and Sugar Creek Golf Course Funds.

Capital Planning Process

The CIP is developed using a team approach prior to completing the operating budget. Capital Planning Team members (Management Team and other staff involved in the planning and oversight of capital projects) compile project requests and present proposed projects to the Team on a park and facility tour (except in 2020 due to COVID-19) or if it not feasible to visit the project site or view the project, at a subsequent project review meeting. Aware there are always more project proposals submitted than can be funded, the Team reviews and discusses each proposed project to rank and prioritize them considering their feasibility, necessity, condition, location, cost, method of financing, availability of grants, link to the District's Vision 2020 Plan, and long-term impact on operations (including maintenance and future operating budgets).

To ensure that the CIP is not merely a wish list, but rather a schedule of realistic needs based on available funding, staff use project evaluation criteria to effectively establish a relative priority for assessing and prioritizing projects. During the Capital Plan development process, departments determine which evaluation criteria are applicable to each project and then rank them based on their level of immediacy, impact and necessity for that project. The average criteria ranking of each project is then calculated to determine the relative priority of the project compared to the other proposed projects. There are four project priority categories: Highest, High, Medium, and Low. This prioritization provides a consistent and fair

method for assessing projects during the capital planning process. Below is a listing and description of all of the capital project evaluation criteria.

- **Eliminates a threat to personal and public safety:** *A project that eliminates or reduces obvious hazards or threats to public health and safety.*
- **Satisfies or meets a legal requirement, liability or mandate that must be addressed in the next fiscal year (law, regulation or court order):** *A project that is required by federal or state statute, court order or regulation or moves the District into further compliance with such mandates.*
- **Addresses completing a project commitment with dedicated funding, which has already been approved by the Park Board:** *A project that the District has already made a prior commitment to complete, is already in progress, or impacts the start or completion of another project.*
- **Advances the implementation of the District's mission, vision, strategy, goals or policies approved by the Park Board:** *A project that addresses the implementation of strategies and goals approved by the Park Board, including the Vision 2020 Plan, ADA Transition Plan or a Park Master Plan.*
- **Satisfies or meets a legal requirement, liability or mandate that can be addressed in future years of the Capital Plan (law, regulation or court order):** *A project that is required in future years by federal or state statute, court order or regulation, or moves the District into further compliance with such mandates.*
- **Improves the positive impact on the environment and reduces carbon footprint:** *A project that minimizes the carbon footprint, preserves and promotes green space in the community and/or improves energy efficiency.*
- **Rehabilitates or replaces a facility or equipment that has reached the end of its useful life and/or preserves existing resources/return on investment:** *A project that, through scheduled replacement, replaces or repairs existing infrastructure to maintain existing levels of service or return on investment (e.g., ball fields, fitness equipment, parking lots, HVAC, etc.).*
- **Reduces future maintenance or operating costs:** *A project that lowers operating expenditures (e.g., replaces obsolete or inefficient facilities/equipment, thereby reducing energy and repair costs).*
- **Leverages available private or local, state or federal government funds:** *A project that can be financed with non-District revenue sources.*
- **Results in generating net revenue that exceeds the direct operational cost of facility/equipment and creates a profit without using tax revenue:** *A project that covers its operating expenses through non-tax revenue and generates net income over expenses.*
- **Provides new or expanded level of service:** *A project that expands services, provides for higher standards of service for customers or maintains/increases the District's competitive advantage. The project may also accommodate facility demand and address projected growth patterns.*
- **Promotes intergovernmental cooperation and other partnership opportunities:** *A project that encourages partnerships and collaboration between various public, community, private entities and individuals to implement.*

- **Improves the way the District operates resulting in increased productivity and efficiency:** A project that raises service quality, saves labor time, improves service, enhances communication, maximizes layout of space and/or enhances technology.
- **Provides enhanced safety:** A project that will reduce the District’s potential exposure to risk.

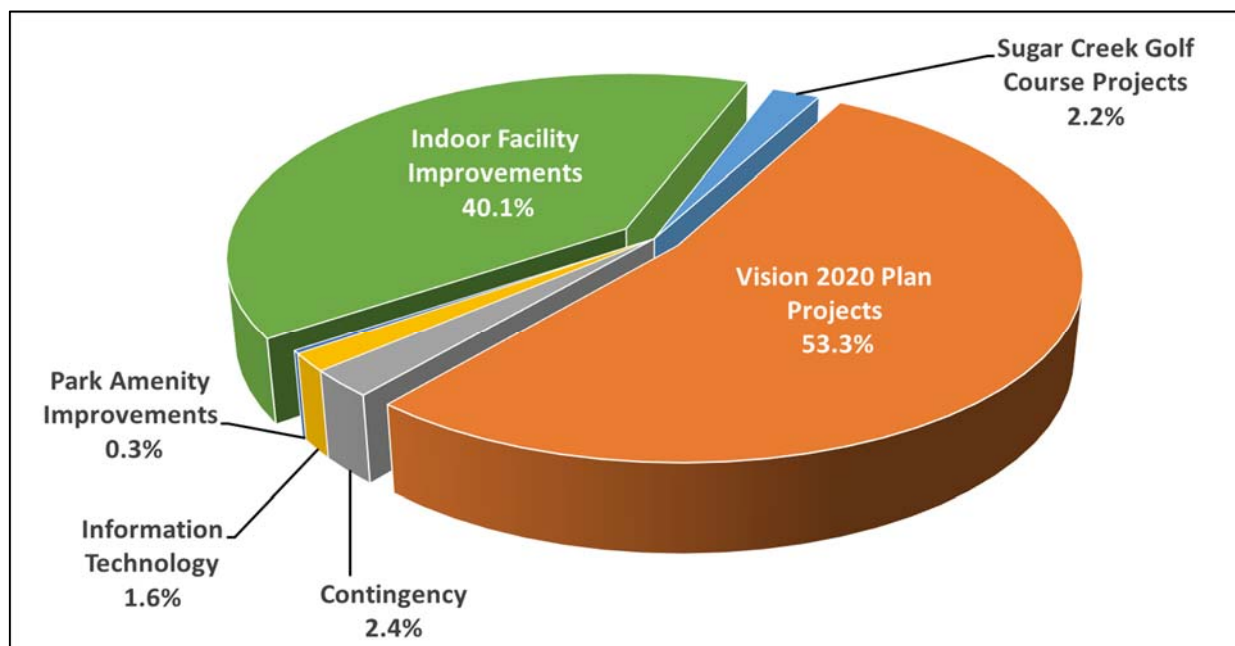
While these criteria are important for determining recommended capital priorities, the reality of the District’s financial situation is critical to all decisions. Projects that are not funded or accomplished in a given year are reevaluated as part of the capital planning process and may be carried over to a future year. For example, due to the financial impacts of the pandemic, the Park Board and staff deferred fifteen (15) capital projects (nearly \$1,000,000) in the 2020 Budget and staff propose funding only essential projects in 2021 due to the continued unknown longer-term impacts of the pandemic. Some of the postponed asset management projects that are not proposed for the 2021 capital budget will continue to delay annual replacement plans (e.g., play area, parking lot, vehicle, maintenance equipment and fitness equipment). In future years, the Park Board and staff will have to critically prioritize the timing of projects beyond their useful life based on available funding to ensure the continued investment in assets to meet community needs.

2021 Capital Plan Projects and Funding

On pages 15-17 is the *2021-30 Capital Improvement Plan Summary* that includes a listing of all the projected revenue sources and their amounts for the duration of the Long-range Capital Plan (where available) and a listing of proposed projects, the department responsible for their completion and their criteria rank, priority level, projected expenses spread over the ten years of the plan and projected total expenses.

2021 Capital Plan Projects and Contingency

The proposed 2021 capital budget is **\$3,122,603** and a detailed description of each project (grouped by project category) is provided in this section, including its projected expenses, work to be accomplished and justification for inclusion in the 2021 capital budget. The following pie chart illustrates the percent of proposed 2021 capital project expenses by project category.



Vision 2020 Plan Projects (\$1,665,853/53.3% of total project expenses)

Adult Center Redevelopment (\$270,000)

Based on the needs assessment and community feedback conducted during and after the Vision 2020 process, the Park Board has continued to move forward with developing a new Adult Center, including acquiring the 155 E. St. Charles Road facility and selling The Abbey to Elmhurst School District #205. The need for a new Adult Center was a key finding in the Vision 2020 Plan based on community support for a new facility, the interest in increased adult programming, and The Abbey's space constraints, condition, and lack of support facilities for recreation programming and events.

Developing the new Adult Center in 2021 will provide the following benefits and opportunities:

- allow the District to expand adult and senior programming options in more functional spaces (adult continuing education and fitness and wellness programming were two of the top three programming priorities in the Vision 2020 scientific community survey);
- facilitate relationships and increase offerings with community partners (e.g., College of DuPage continuing education classes, move social services currently at Elmhurst City Hall to the new location, etc.); and
- upgrade a recently acquired District building (12,800 square feet) for recreational use, which will increase the indoor recreational space available to the community (a deficiency identified in the Vision 2020 Plan).

The 155 E. St. Charles building has not had any major renovations in over 20 years. In 2019, Dewberry Architects completed a comprehensive facility assessment, including building systems, structural, life safety, code, and ADA review. Based on the assessment findings, the firm provided three different options for redevelopment with cost projections. In January 2020, the District submitted an Illinois Park and Recreational Facility Construction Grant Program (PARC) application for \$2,475,000 to partially fund the \$3,300,000 required to update and enhance the facility based Dewberry Architects' cost projections (including an outdoor classroom expansion). Due to the State's fiscal constraints, the timing of potential notification is unknown.

Due to the unknown future status of the PARC grant program and pandemic related fiscal constraints, staff recommend proceeding with upgrading the building for \$900,000 to address ADA, life safety, and code requirements. Those improvements include: building abatement, remodeling restrooms for ADA compliance, updating interior room signage, replacing exterior and interior door hardware, installing new exterior doors, painting interior, improving kitchen (adding triple basin sink; updating flooring, ceiling, and counters), repairing perimeter building soffit, adding fire protection system, repairing exterior stair, and completing exterior improvements (roof shingles, roof ladder, signage) and site improvements (pavement, sidewalks, raise storm structures and remove dead trees). Staff plan to include in project bid specifications replacing the exterior windows, multi-purpose gym flooring, and acoustical ceiling panels as bid add-ons to be completed if the bid cost is within the approved project budget.

Based on a realistic construction schedule, staff propose completing architecture and engineering services and beginning construction in 2021 for \$270,000 and finishing construction in 2022 for \$630,000. To fund the project in 2021, staff recommend utilizing \$170,000 of The Abbey sale proceeds (\$630,000 in 2022) and \$100,000 of Special Recreation Association Fund reserves for accessibility improvements. This project addresses the Vision 2020 Strategic Work Plan tactic for redeveloping the Adult Center under the Vision 2020 Theme of **Meet Community Need for New and Existing Indoor Recreation Space**.

Centennial Park Development (\$720,000)

Along with the Adult Center building, staff propose redeveloping the new adjacent Centennial Park in 2021. As part of the Vision 2020 park level of service analysis, the planning area for this neighborhood was identified as a high land acquisition priority due to the lack of access to park space and amenities such as a playground. By improving the site, the District would expand park offerings and the level of services provided to the neighborhood and users of the Adult Center and improve equity across the community regarding access to park amenities. The new park would also enhance the quality of life of the neighborhood due to its environmental and social benefits.

Based on a realistic construction schedule, staff propose budgeting \$720,000 in 2021 and \$180,000 in 2022 for a total of \$900,000 to complete the project. Project costs include hiring Upland Design to create a park master plan based on public feedback along with engineering, design and construction expenses to develop the site. In 2021, staff propose funding the project utilizing \$620,000 of The Abbey sale proceeds (\$180,000 in 2022) and \$100,000 of Special Recreation Association Fund reserves for accessibility improvements.

This project addresses the Vision 2020 Strategic Work Plan tactic for developing Centennial Park under the Vision 2020 Theme of **Meet Community Need for Parks, Open Space and Outdoor Amenities**.

135 Palmer Drive Demolition and Site Improvements (\$675,853)

Serving the Elmhurst downtown area, Glos Park provides park open space and formal gardens in this densely populated area. By demolishing the building on the adjacent property at 135 Palmer Drive, acquired in 2016, the District has the opportunity to increase park open space for the neighborhood. Due to the acquisition of 155 E. St. Charles Road building for an Adult Center and the poor condition of the Palmer Drive building (as illustrated in Dewberry Architects' facility assessment), staff recommends budgeting \$675,853 in 2021 to hire Upland Design to create a development plan for an expanded Glos Park (based on public feedback) and to demolish the building and parking lot and complete site improvements. Staff recommends funding this project utilizing Capital Improvement Fund reserves accrued in previous fiscal years from developer donations (\$461,353) and the Lennar Group developer donation to be received in 2021 (\$214,500).

This project addresses the Vision 2020 Strategic Work Plan tactic for demolishing the Palmer Drive building and completing site improvements to increase open space at Glos Park under the Vision 2020 Strategic Theme of **Meet Community Need for Parks, Open Space, and Outdoor Amenities**.

Indoor Facility Improvements (\$1,253,250/40.1% of total project expenses)

Courts Plus Roof Improvements (\$580,000)

The existing rubber membrane roof at Courts Plus is original and up to thirty (30) years old and beyond its expected useful life. Based on the physical condition of roof sections, staff propose replacing the roof in phases starting in 2021 with the rubber membrane layer between the tennis court pods (\$75,000 deferred in 2020 due to the pandemic) and the fitness floor (\$417,000) and multi-purpose room (\$87,500) sections. For a proposed total cost of \$580,000, this project will eliminate the temporary placement of buckets and overhead water traps above the ceiling due to leaks along with reduce maintenance expenses due to repetitive service calls for roof repairs. Future proposed project phases include replacement of the Kids Plus and Café roof rubber membrane layer in 2022 and the tennis court metal roof in 2026. This project will be funded utilizing Capital Improvement Fund reserves (\$580,000).

Maintenance Facility Roof, Gutters, Downspouts, and Automotive Lift Replacement (\$506,250)

As per the intergovernmental agreement with the City of Elmhurst regarding shared facility use, the District utilizes space and amenities at the City's Maintenance Facility (e.g., offices, work spaces, lunchroom,

garage space, gas pumps), and the City maintains the building and schedules necessary upgrades (the District contributes 25% towards project costs). In 2021, the City will be replacing the roof, gutters and downspouts on the north side of the facility as well as completing masonry and sealant repairs deferred in 2020 (District's portion \$428,750) along with the heavy duty automotive lifts (District's portion \$77,500). The cost of the deferred 2020 roof project increased by \$30,000 from the proposed 2020 project cost due to the engineer determining the gutters on the north side of the building are undersized and require replacement.

For a total cost of \$506,250, these projects are necessary for the continued use of the facility and the City's ability to provide quality uninterrupted vehicle maintenance services to the District. Replacing the heavy duty lifts will increase the safety factor for lifting heavier vehicles, including ensuring the safety of employees. This project will also increase the integrity of the work being performed and reduce repair costs to the lift cylinders and mechanical equipment. Staff propose funding the project utilizing Annual G.O. Bond proceeds (\$84,459) and Capital Improvement Fund reserves (\$421,791).

Courts Plus Group Exercise Studio HVAC Replacement (\$67,000)

In 2021, staff propose replacing the group exercise studio HVAC system, which has reached the end of its useful life at 21 years old, for a proposed cost of \$67,000. The installation of a modern higher efficiency system with newer technology will provide improved temperature and humidity control resulting in an improved Courts Plus customer experience. It will also lower operating expenses by reducing service calls and material costs for replacement parts. This project will be funded utilizing Capital Improvement Fund reserves (\$67,000).

Wagner Community Center HVAC Replacement (\$55,000)

To improve the customer experience and maintain the facility, staff propose replacing the HVAC equipment for the Wagner Community Center guest lounge and Sunbeams & Rainbows classroom (\$55,000). It was postponed in 2020 due to pandemic related financial constraints except for the project engineering (completed for \$4,800). The system has reached the end of its useful life at over 20 years old and provides inconsistent and uncomfortable temperatures in the space is for users. The goal is to upgrade the current system with modern, energy efficient units, which will positively impact the customer environment and require less maintenance, resulting in cost savings. This project will be funded utilizing Capital Improvement Fund reserves (\$55,500).

Courts Plus Pool Filter Replacement (\$45,000)

In 2021, staff propose replacing the Courts Plus pool filter (\$45,000), which is beyond its useful life at over thirty (30) years old and welded shut. This project was postponed in 2020 due to pandemic related fiscal constraints. A new pool filter will prevent impending equipment failure and be accessible for maintenance and repairs, thereby providing uninterrupted pool service to members. This improvement will ensure a continued positive experience for Courts Plus members and increase the efficiency of operations and service delivery. This project will be funded utilizing Capital Improvement Fund reserves (\$45,000).

Park Amenity Improvements (\$8,500/0.3% of total project expenses)

Wilder Mansion Fountain Mechanicals and Lights Replacement (\$8,500)

In 2020, staff replaced the Wilder Mansion garden fountain due to its poor condition and age. In 2021, staff propose replacing its mechanical equipment vault and lighting (\$8,500), which is over ten (10) years old. This improvement will ensure the mechanicals and lights do not stop functioning properly, increase their operational efficiency, and provide continued enjoyment of this amenity for rentals and park users. This project will be funded utilizing Capital Improvement Fund reserves (\$8,500).

Sugar Creek Golf Course Projects (\$70,000/2.2% of total project expenses)

To coincide with the 2021 budget timelines of the Sugar Creek Golf Course Committee and the Village of Villa Park (the District's golf course partner), the Golf Course budget was presented and approved by the Park Board on November 9, 2020. It includes funding for maintenance equipment and underground fuel tank replacement, and these projects are reflected in the District's 2021 capital budget and described in the following two sections.

Sugar Creek Golf Course Maintenance Equipment Replacement (\$40,000)

In 2021, staff recommend continuing the Sugar Creek Golf Course equipment replacement plan by purchasing a bank/rough mower to replace a 17 year-old mower significantly beyond its useful life (\$40,000 postponed in 2020). Replacement of this mower is based on updating equipment in the poorest condition and with the highest importance to essential operations. In 2021, 88% of the equipment will be over 10 years old and past its useful life. With the average age of equipment at 20.5 years, the frequency and cost of repairs slow operations, resulting in a less consistent product. A functional fleet is required to maintain a playable golf course to generate revenue. This purchase will only be executed if it is financially feasible based on healthy Sugar Creek Golf Course Fund operating income levels after the third quarter of 2021.

Sugar Creek Golf Course Underground Fuel Tank Replacement (\$30,000)

The underground fuel storage tanks (USTs) at Sugar Creek Golf Course no longer meet Illinois Administrative Code requirements based on 2018 revisions. The Office of the State Fire Marshal (OSTM) has red-tagged the tanks, taking them out-of-service. By law, the USTs must be removed before October 2021 to avoid legal action and fines. The OSFM and environmental consultants recommend replacing the tanks with above ground storage tanks (ASTs) which will cost \$30,000. ASTs have fewer permitting requirements and less testing and regulatory requirements. This project will be funded utilizing Sugar Creek Golf Course Fund operating income (\$30,000).

Information Technology (\$50,000/1.6% of total project expenses)

SAN (Storage Area Network) Replacement (\$50,000)

The Storage Area Network (SAN) stores the District's data and virtual servers. For \$50,000, staff propose replacing the current SAN installed in 2016 since industry standards recommend a three (3) to five (5) year replacement schedule. If the current SAN fails, it will cripple District operations as all data and servers would be down until a new SAN is procured and configured. At that point, backups of the data and servers would need to be restored and downtime would be measured in weeks to months (no payroll and financial software, email, file services and directory services). Additionally, maintenance costs are increasing substantially since the District is out of the warranty period. Replacing the current model will also add more space for storage. This project will be funded utilizing Capital Investment Fund reserves (\$50,000).

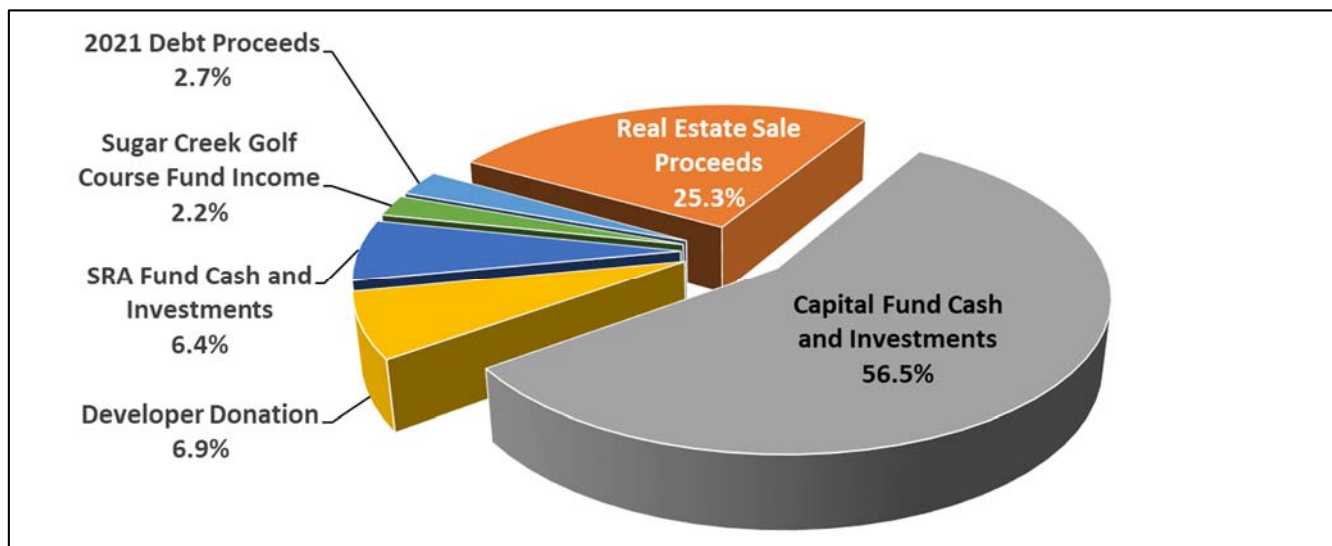
In 2022, staff proposes replacing the host hardware (where the virtual servers run) for a projected additional cost of \$54,700. This work is a continuation of the existing SAN project and consists of the transition of the Disaster Recovery backup hosts to a warranty complaint hardware solution.

Contingency (\$75,000/2.4% of total project expenses)

Contingency (\$75,000): Funds are allocated for unanticipated emergencies and change orders.

2021 Capital Plan Funding

Proposed revenue for 2021 capital projects and contingency funds total **\$3,122,603** and are detailed in this section. Staff propose utilizing Capital Improvement Fund reserves (and potentially other non-Enterprise Funds in future years) to fund Courts Plus projects as part of the proposed transition of this facility to tax-supported to maintain future financial sustainability. The following pie chart illustrates the percent of proposed 2021 capital project funding by source.



Debt Proceeds (\$84,459)

- 2021 (annual rollover) G.O. Bond proceeds in the Capital Improvement Fund (**\$84,459/2.7% of total revenue**) to partially fund the Maintenance Facility Roof, Gutters, Downspouts, and Heavy Automotive Lift Replacement.

Cash and Investments (\$1,963,644)

- Special Recreation Association Fund cash and investments (**\$200,000/6.4% of total revenue**) to partially fund the new Adult Center Redevelopment (\$100,000) and Centennial Park Development (\$100,000).
- Capital Improvement Fund cash and investments (**\$1,763,644/56.5% of total revenue**) to fund the Courts Plus Roof Improvements (\$580,000), Courts Plus Group Exercise Studio HVAC Replacement (\$67,000), Wagner Community Center HVAC Replacement (\$55,000), SAN (Storage Are Network) Replacement (\$50,000), Courts Plus Pool Filter Replacement (\$45,000), Wilder Mansion Fountain Mechanicals and Lights Replacement (\$8,500), and contingency funds (\$75,000) and partially fund the 135 Palmer Drive Demolition and Site Improvements (\$461,353) and Maintenance Facility Roof, Gutters, Downspouts, and Heavy Automotive Lift Replacement (\$421,791).

Income (Earned in that Fiscal Year) (\$70,000)

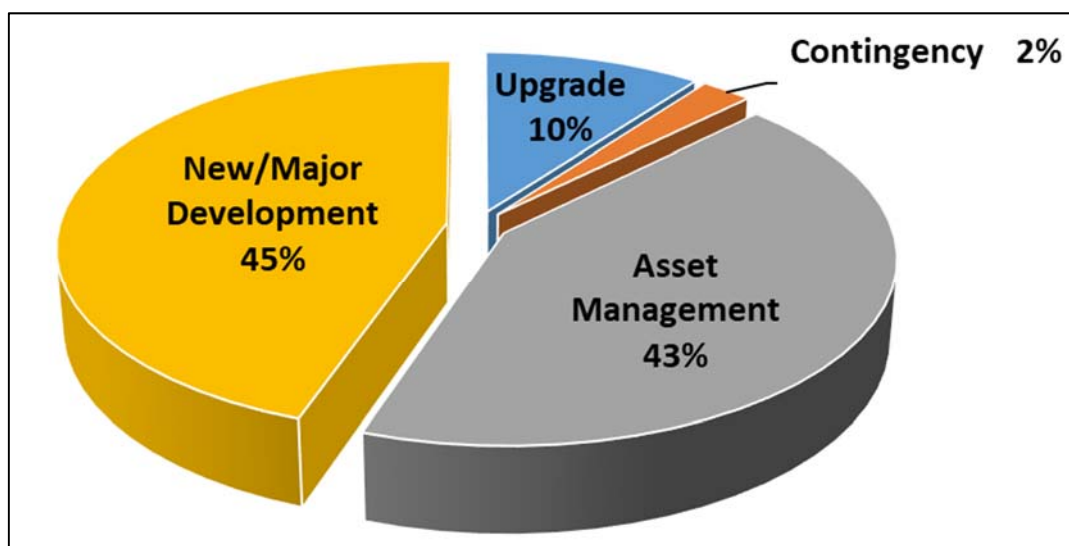
- Sugar Creek Golf Course Fund income (**\$70,000/2.2% of total revenue**) for Sugar Creek Golf Course Maintenance Equipment (\$40,000) and Underground Fuel Tank Replacement (\$30,000).

Donations/Sale of Real Estate (\$1,004,500)

- Abbey Sale proceeds (**\$790,000/25.3% of total revenue**) to fund 2021 Adult Center Redevelopment (\$170,000) and Centennial Park Development (\$620,000) costs.
- Lennar Group developer donation for the 175 unit apartment building on 183 N. Addison Avenue to be completed in 2021 (**\$214,500/6.9% of total revenue**) to partially fund the 135 Palmer Drive Demolition and Site Improvements.

Project Type

To illustrate how capital funds are being allocated to address infrastructure needs, the following pie chart includes the percent of project expenses by project type (e.g., to develop a new asset, upgrade an existing asset, replace an asset beyond its useful life, etc.).



In the proposed 2021 capital budget, almost half (45%) of capital project expenses are for new/major development projects (\$1,395,853). Examples of these projects are new facilities or major rehabilitations such as the Centennial Park Development and 135 Palmer Drive Demolition and Site Improvements. Asset management projects are 43% of capital expenses (\$1,331,750) and include replacing existing facilities/equipment beyond their useful life such as the Courts Plus and Wagner Community Center HVAC systems, Maintenance Facility and Courts Plus Roof Improvements, and Sugar Creek Maintenance Equipment. Proposed spending to upgrade current assets is 10% (\$320,000) and include projects that add capacity or new features such as the Adult Center Redevelopment and SAN (Storage Area Network) Replacement. For a detailed listing of the project types for proposed capital plan projects, refer to the *2021-30 Long-range Capital Plan Summary* on pages 15-17.

Impact of Projects on the Operating Budget

During the capital planning process, staff develop estimates for the financial impact of proposed projects on the operating budget during the three (3) year period after project completion. This section provides an overview of how capital expenses may potentially affect the District's current and future operating budgets and services. This financial impact analysis is critical to consider when determining capital project funding and priorities so adequate resources are available to open, manage and/or maintain upgraded or new facilities and equipment and to appropriately prioritize projects based on the funding available in current and future budgets.

Park Improvements and Amenities: A majority of the District's capital plan projects are for the redevelopment of existing parks or repairs to existing structures that have a minimal impact on operating expenses. However, new park amenities and improvements may have an impact on future operating expenses to meet increased supply, material, and/or maintenance needs. For example, park projects may lead to a slight increase in maintenance and utilities expenses such as developing a second garden plot location (proposed for future years), which will result in projected increased expenses of \$1,280 annually to cover water usage and labor costs for pre/post season tilling and landscape waste removal. These expenses would be offset by \$1,000 annually in revenue collected for garden plot fees for a net increase of \$780 a year in expenses. Similarly, the new Plunkett Park athletic field irrigation system proposed in future years of the Capital Plan will lead to a slight increase in expenses for utilities due to water usage and for maintenance to start-up the system at the beginning of the season and shut it down at the end (staff project an approximate annual impact of \$350 overall based on current water expenses for irrigated fields).

New Facilities: Large-scale facility development and expansion upgrades typically do have a significant impact on future operating expenses, including staffing, maintenance, utilities, supplies, etc. For example, the new facility spaces proposed for Vision 2020 Plan projects will have an impact on future operating budgets such as constructing a 10,000 square foot north side satellite maintenance facility to meet the higher standard of maintenance desired by the community and provide improved efficiencies. This project would increase annual utility costs by approximately \$14,500 and maintenance costs by \$12,000 offset with a reduction in road travel, resulting in less fuel use and wear-and-tear on vehicles since the District's current maintenance facility is located in the south side of Elmhurst.

Equipment and Vehicle Replacement: Annually replacing the District's oldest vehicles and equipment allows staff to work as efficiently as possible and meet customer service expectations as newer vehicles and equipment provide greater performance and require less repairs resulting in shorter downtime. For example, annual fitness equipment replacement is projected to result in annual maintenance cost savings from \$1,000 to \$1,500 after purchase due to replacing equipment no longer under warranty. Also, equipment has a higher resale value when it is not past its useful life; therefore, if staff purchase new equipment according to the recommended replacement schedule rather than delaying until it is no longer usable, the District can utilize those dollars toward the purchase of new equipment. Depending on the demand for used equipment and its condition, staff project a potential annual average trade-in value of 5 to 10 percent of the original purchase price.

Similar to fitness equipment, replacing vehicles can potentially offset expenses from trade-ins and auctions. Depending on the demand for used vehicles and their condition, staff expect approximately a \$6,000 to \$8,000 annual return on the vehicles trade-in/auction.

Building Improvements: Building improvements can lead to a reduction in long-term operating expenses. Energy saving projects such as replacing building systems and lighting systems with energy efficient ones can reduce utility and maintenance expenses. For example, the proposed 2021 and future replacement of HVAC systems at Courts Plus will reduce operating expenses based on the availability of higher efficiency systems with newer technology as well as reduce service calls and material and energy costs. This could result in a projected annual savings of \$1,500 in the first two years after installation and \$1,750 in the third year. Similarly, the replacement of the Courts Plus radiant heat boiler proposed for 2022 will also reduce operating expenses due to a reduction in fuel consumption from installing a green high efficiency boiler and lower repair expenses with newer equipment. Savings are projected to be \$2,000 in the first year after purchase and decrease annually as the unit ages.

Another example of cost savings due to energy efficiencies is the proposed replacement of the interior and exterior lighting at Smalley Pool with new LED energy efficient fixtures. The District could realize a 90%

2021 BUDGET: CAPITAL IMPROVEMENT PLAN

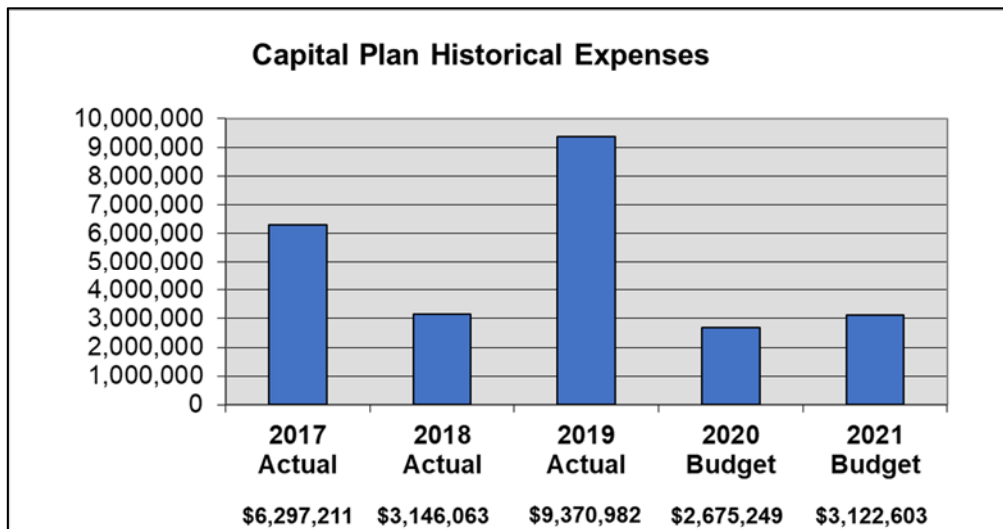


reduction in energy usage by replacing the underwater lights and a 60-70% reduction by replacing the exterior light fixtures. LED lights require much less maintenance and have a longer usable life requiring less materials and labor.

Revenue Generating Improvements: Capital projects can generate additional revenue. For example, furnishing and installing ballfield lighting control systems at Berens 1-5, Butterfield 1, and Plunkett 1-3 will allow for accurate scheduling of lighting and generate light usage reports to invoice user groups. Currently, lighting fees from user groups are dependent on an honor system of logging hours of use. Proposed for 2022, this project is projected to increase revenue by \$8,200 by allowing for accurate cost recovery of fees to cover lighting expenses along with reducing excess usage by user groups. Staff project a five-year return on investment for this project.

Five-year Comparison of Capital Expenses

The chart below illustrates Capital Plan project expenditures from 2017 to 2019 and budgeted expenditures for 2020 and 2021.



As compared to the 2020 Budget, capital project expenses are increasing by 14% (\$447,354) in the proposed 2021 Budget due to completing Vision 2020 projects utilizing proceeds from The Abbey sale and accumulated reserves from developer donations in the Capital Improvement Fund. When comparing 2019 actual to 2020 budgeted capital expenses, 2020 budgeted capital expenses significantly decreased by 250% (\$6,695,733) due mainly to the one-time purchase of the 155 E. St. Charles Road and 397 Armitage Avenue properties and the cost for due diligence on the District's consideration of property at 837 S. Riverside Drive in 2019. When comparing 2018 to 2019 actual capital project expenses, 2019 capital spending increased by 66% (\$6,224,919) primarily due to the same aforementioned property purchases in 2019. Spending decreased from 2017 to 2018 by 100% (\$3,151,148) primarily due to the one-time property purchases in 2017 of 135 Palmer Drive, Old York Road, and 207 N. Hampshire Drive.

Vision 2020 and ADA Transition Plans

Vision 2020 Plan: In July 2017, the Park Board approved the Vision 2020 Plan, which updated the District's Comprehensive and Strategic Plans. The Plan provides long-term recommendations for the coordinated development and maintenance of District parks and facilities, as well as potential future infrastructure and land expansion. Facilitated by an independent planning firm, the District gathered extensive community feedback in 2016-17 to develop the Plan, including focus groups, open forums, and community surveys along with compiling feedback from full-time and part-time staff via staff meetings and

surveys. The planning firm also conducted a needs assessment, which included an evaluation of District parks, facilities, and programs along with demographic, trend, and level of service analyses. The feedback collected and needs assessment outcomes shaped the Vision 2020 Plan key findings and recommendations, which were utilized to develop an action plan that drives long-range planning, directs decision-making, and assists with allocating District resources.

Staff annually review the Vision 2020 recommended park and facility improvements to assess how they align with current replacement plans, determine which projects should be integrated into the District's Long-range Capital Plan and prioritize these projects based on immediacy, feasibility, need, and available funding and resources. Staff updated the long-range Capital Plan based on this analysis so that project priorities, timing, and funding would reflect the outcomes of the Vision 2020 Plan.

By integrating the Vision 2020 recommendations into the Capital Plan, the District has made a commitment toward addressing future development needs identified through an extensive independent assessment of the parks, facilities, and programs along with community feedback. These recommendations serve as guidelines for the Park Board, which weighs economic feasibility and project timing when considering the implementation of recommended park and facility solutions. For example, some of the large-scale Vision 2020 facility projects are not included in the proposed 2021 capital budget due to the inability to fund these projects with current resources (e.g., New Wagner Community Center, New Satellite Maintenance Facility, etc.). These projects will be reevaluated in 2021 to determine how to address Vision 2020 Plan capital priorities within current financial realities due to the pandemic.

Americans with Disabilities Act (ADA) Transition Plan: In 2011, the District hired a consultant to conduct an ADA accessibility audit to update the District's ADA transition plan to be in compliance with the new regulations set forth by the Department of Justice (effective March 15, 2011). In 2012, staff finalized the development of that Plan with the consultant, including prioritizing recommendations, developing cost estimates, and integrating projects into the Long-range Capital Plan and Department work plans. In the Capital Plan, staff identified the projects that need to be completed to become ADA compliant to ensure that the projects are considered and weighted appropriately as part of the capital planning review process. Staff track projects when completed and make updates to the Plan as necessary to ensure it remains relevant. The Park Board comprehensively reviewed the ADA Transition Plan implementation progress at the March 12, 2018 Park Board meeting.

Depreciation

Per Illinois State statute (70 ILCS 1205/4-4), the budgetary basis of reporting states that expenses occur when cash is actually being disbursed. This definition indicates that the cash outlay for a capital project would be an expense required for budgeting purposes. Depreciation Expense is used in financial reporting in accordance with Generally Accepted Accounting Principles (GAAP) and is not a disbursement of cash. Therefore, with the approval of the District's auditors, Lauterbach & Amen, budgeted expenses only include capital as an expense in the Budget and Appropriation Ordinance. The audited financial statements, which are reported using GAAP, continue to reflect depreciation expenses as required.

2021-30 Long-range Capital Plan Summary

A copy of the *2021-30 Long-range Capital Plan Summary* is provided on pages 15-17. For projects in the 2021 Capital Budget, project titles reflect work to be performed in 2021 and may not reflect work proposed for future years of the Plan (2022-30). Also, 2021 Capital Budget and future-year park and facility asset management and upgrade projects are presented separately from future new and major redevelopment projects on pages 15-17 (asset management and upgrade projects are listed in the first summary section of Proposed Capital Project Expenses and major and new redevelopment projects are in the second summary section on page 17, including Vision 2020 large-scale facility projects). The overall summary of

2021 BUDGET: CAPITAL IMPROVEMENT PLAN



Capital Improvement Plan Revenues and Expenses (on page 15) reflect park, facility, and information technology asset management and upgrade projects only.

Department acronyms are as follows: PRK (Parks), FAC (Facilities), ENT (Enterprise Services), SC (Sugar Creek Golf Course), IT (Information Technology), FIN&HR (Finance and Human Resources), and ADM (Administration). The priority ranking categories and related criteria average ranges that fall within those categories are as follows: A-Highest (4.00); B-High (2.50-3.99); C-Medium (2.00-2.49); D-Low (1.25-1.99); E-No Need (Below 1.25).

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**Elmhurst Park District
2021-2030 Capital Plan Summary**

Summary of Proposed 2021 Capital Improvement Plan (Revenues-Expenses) Asset Management Only

	<u>FY 21</u>	<u>FY 22</u>	<u>FY 23</u>	<u>FY 24</u>	<u>FY 25</u>	<u>FY 26-30</u>	<u>Total ('21-'30)</u>
Total Revenues	3,122,603	1,266,497	802,333	837,155	863,575	1,797,110	8,689,273
Total Expenses	3,122,603	5,104,655	4,999,040	2,264,634	1,228,208	7,361,572	24,038,212
Difference	-	(3,838,158)	(4,196,707)	(1,427,479)	(364,633)	(5,564,462)	(15,348,939)

Summary of Proposed 2021-30 Capital Project Revenue

	<u>FY 21</u>	<u>FY 22</u>	<u>FY 23</u>	<u>FY 24</u>	<u>FY 25</u>	<u>FY 26-30</u>	<u>Total ('21-'30)</u>
<u>Debt Proceeds</u>							
Annual Rollover G.O. Bond in Capital Improvement Fund (Maintenance Facility Project (partial))	84,459	106,270	449,101	480,859	504,153	4289147+2030	1,624,842
<u>Property Tax Levy</u>							
Special Recreation Association Fund Tax Levy (Future Year Projects)	0	200,000	200,000	200,000	200,000	1,000,000	1,800,000
Paving and Lighting Fund Tax Levy (Future Year Projects)	0	150,227	153,232	156,296	159,422	797,110	1,416,287
<u>Cash and Investments (Budgeted and Accrued in Previous Years)</u>							
Capital Improvement Fund Cash & Investments (Maint. Facility (partial), 135 Palmer Dr. (partial), WCC & CP HVAC, CP Roof, CP Pool Filter, Wilder Mansion Fountain, & SAN Projects, Contingency)	1,763,644	0	0	0	0	0	1,763,644
Special Recreation Association Fund Cash & Investments (Adult Center & Centennial Park Projects (partial))	200,000	0	0	0	0	0	200,000
Capital Fund Cash & Investments (Abbey Sale Proceeds received in 2021 for Adult Center & Centennial Park Projects)	0	810,000	0	0	0	0	810,000
<u>Income (Earned in the Year the Project is Budgeted)</u>							
Sugar Creek Golf Course Fund Operating Income (Sugar Creek Maintenance Equipment & Underground Fuel Tank Projects)	70,000	0	0	0	0	0	70,000
<u>Grants/Donations/Sale of Real Estate</u>							
Abbey Sale Proceeds (Adult Center & Centennial Park Projects (partial))	790,000	0	0	0	0	0	790,000
Lennar Group Developer Donation (135 Palmer Dr. Project (partial))	214,500	0	0	0	0	0	214,500
Total Revenue	3,122,603	1,266,497	802,333	837,155	863,575	1,797,110	8,689,273

Summary of Proposed 2021-30 Capital Project Expenses (by Year and Amount in Descending Order)
Asset Management, Equipment, and Technology Improvements

<u>Project Name/Description¹</u>	<u>Category</u>	<u>Dept.</u>	<u>Type</u>	<u>Criteria</u>		<u>FY 21</u>	<u>FY 22</u>	<u>FY 23</u>	<u>FY 24</u>	<u>FY 25</u>	<u>FY 26-30</u>	<u>Total</u>
				<u>Rank</u>	<u>Priority Level²</u>							
Centennial Park Development	Park Redevelopment	FAC	New/Major Development	3.00	B	720,000	180,000	0	0	0	0	900,000
135 Palmer Drive Demolition and Site Improvements	Park Redevelopment	FAC	New/Major Development	3.00	B	675,853	0	0	0	0	0	675,853
Courts Plus Roof Improvements	Building Exterior	ENT	Asset Management	2.60	B	580,000	92,500	0	0	0	420,000	1,092,500
Maint. Facility, Roof, Gutters, Downspouts & Automotive Lift Repl.	Building Exterior	FAC	Asset Management	4.00	A	506,250	76,250	150,000	0	0	0	732,500
Adult Center Redevelopment	Building Interior	ADMIN/FAC	Upgrade	3.00	B	270,000	630,000	0	0	0	0	900,000
Courts Plus Group Exercise Studio HVAC Replacement	Mechanical Systems	ENT	Asset Management	2.67	B	67,000	62,500	92,500	26,750	0	610,500	859,250
Wagner Community Center HVAC Replacement	Mechanical Systems	FAC	Asset Management	3.00	B	55,000	125,000	444,300	0	0	175,000	799,300
SAN (Storage Area Network) Replacement	Information Technology	IT	Upgrade	2.75	B	50,000	54,700	0	0	0	0	104,700
Courts Plus Pool Filter Replacement	Mechanical Systems	ENT	Asset Management	3.00	B	45,000	95,500	114,000	27,000	0	0	281,500
Sugar Creek Maintenance Equipment Replacement	Grounds Equipment	SC	Asset Management	3.75	B	40,000	45,000	45,000	50,000	60,000	250,000	490,000
Sugar Creek Underground Fuel Tank Replacement	Mechanical Systems	SC	Asset Management	4.00	A	30,000	0	0	0	0	0	30,000
Wilder Mansion Fountain Mechanicals and Lights Replacement	Park Amenities	ENT	Asset Management	2.67	B	8,500	32,000	80,000	0	0	0	120,500
Courts Plus/Plunkett Parking Lot Resurface	Parking Lots	FAC	Asset Management	3.00	B	0	592,000	180,000	55,000	0	0	827,000
Eldridge Park East Play Area Redevelopment and Additional Signage	Play Areas	FAC	Upgrade	3.00	B	0	480,000	150,000	245,000	0	400,000	1,275,000
Ben Allison Park Redevelopment	Play Areas	FAC	Upgrade	2.75	B	0	395,500	0	0	0	0	395,500

<u>Project Name/Description¹</u>	<u>Category</u>	<u>Dept.</u>	<u>Type</u>	<u>Criteria Rank</u>	<u>Priority Level²</u>	<u>FY 21</u>	<u>FY 22</u>	<u>FY 23</u>	<u>FY 24</u>	<u>FY 25</u>	<u>FY 26-30</u>	<u>Total</u>
Basketball/Tennis Court Resurfacing	Athletic Courts	FAC	Asset Management	2.50	B	0	240,000	280,000	40,000	0	0	560,000
Sugar Creek Restoration Project	Landscaping Improvements	SC	Upgrade	2.83	B	0	232,300	1,190,000	0	0	0	1,422,300
Backstop Replacement	Athletic Fields	FAC	Asset Management	2.50	B	0	205,000	370,000	93,000	0	505,000	1,173,000
Courts Plus Flooring Project	Building Interior	ENT	Asset Management	2.50	B	0	169,000	54,000	75,000	0	226,500	524,500
Rolling Vehicle Stock Replacement	Vehicles	PRK	Asset Management	2.00	C	0	136,000	144,000	115,000	148,000	500,000	1,043,000
Berens Park Redevelopment	Park Redevelopment	FAC	Asset Management	2.67	B	0	135,000	342,000	0	500,000	0	977,000
East End Pool Asset Management	Outdoor Pools	FAC	Asset Management	3.00	B	0	121,500	35,000	0	0	0	156,500
Courts Plus Fitness Equipment Replacement	Fitness Equipment	ENT	Asset Management	2.00	C	0	117,500	180,080	145,400	145,000	688,922	1,276,902
Plunkett and Crestview Parks Baseball Field Renovations	Athletic Fields	PRK	Planning	2.50	B	0	108,500	77,500	88,000	46,500	93,000	413,500
Hub Asset Management	Park Amenities	FAC	Asset Management	2.33	C	0	85,000	25,000	0	0	0	110,000
Courts Plus Tennis Area Improvements	Building Interior	ENT	Asset Management	2.67	B	0	74,000	25,000	149,000	0	15,000	263,000
Courts Plus Radiant Heat Boiler Replacement	Mechanical Systems	ENT	Asset Management	2.80	B	0	64,500	0	0	0	0	64,500
Trails and Paths Paving	Trails and Paths	FAC	Asset Management	2.75	B	0	62,005	225,000	225,000	28,566	0	540,571
Courts Plus Laundry Equipment Replacement	Building Interior	ENT	Upgrade	2.40	C	0	58,500	0	0	0	0	58,500
Courts Plus Racquetball Court Improvements	Building Interior	ENT	Asset Management	2.00	C	0	48,000	92,000	0	0	0	140,000
Wagner Carpet Management - Music Rooms	Building Interior	FAC	Asset Management	3.00	B	0	48,000	0	0	0	30,000	78,000
Ballfield Lighting Controls	Outdoor Facilities and Amenities	PRK	Upgrade	2.00	C	0	41,000	0	0	0	0	41,000
Sealcoating Projects	Parking Lots/Trails and Paths	FAC	Asset Management	3.00	B	0	35,000	0	0	0	0	35,000
Parks and Facilities Grounds Equipment Replacement	Grounds Equipment	PRK	Asset Management	2.00	C	0	33,500	33,500	99,000	29,500	150,000	345,500
Wilder Mansion Wood Floor Replacement (2nd Floor)	Building Interior	ENT	Asset Management	2.60	B	0	31,000	42,500	25,000	0	0	56,000
Courts Plus Exterior Project	Building Site	ENT	Asset Management	2.67	B	0	27,000	45,000	0	0	0	72,000
Sugar Creek Clubhouse/Banquet Room Asset Management	Building Interior/Mechanical Systems	SC	Asset Management	2.50	B	0	25,000	0	0	0	0	25,000
Butterfield Park Recreation Building Boiler Replacement	Mechanical Systems	FAC	Asset Management	2.67	B	0	20,000	51,500	0	0	0	71,500
Fleet Propane Conversions	Vehicles	PRK	Upgrade	2.33	C	0	18,400	18,400	9,200	18,400	36,800	101,200
Sugar Creek Driving Range Asset Management	Equipment	SC	Asset Management	3.00	B	0	15,000	0	0	0	0	15,000
Depot Floor Replacement	Building Interior	FAC	Asset Management	2.25	C	0	10,500	0	0	0	0	10,500
Blood Pressure Machine	Equipment/Machines	ENT	Asset Management	2.00	C	0	7,500	0	0	0	0	7,500
Conrad Fischer Park Redevelopment	Outdoor Facilities and Amenities	FAC	Upgrade	3.00	B	0	0	135,000	0	0	0	135,000
Courts Plus Sanitary Lift Station Improvements	Mechanical Systems	ENT	Asset Management	2.60	B	0	0	85,000	0	0	0	85,000
PC Replacement	Information Technology	IT	Asset Management	3.00	B	0	0	80,000	0	0	0	80,000
East End Park and Pool Lights LED Retrofits	Building Interior/Exterior	FAC	Upgrade	2.33	C	0	0	58,510	7,520	0	0	66,030
Berens Park Lights LED Retrofits	Building Interior/Exterior	FAC	Upgrade	2.33	C	0	0	54,250	137,568	166,500	303,400	661,718
Sugar Creek Golf Course Entrance Fencing	Building Site	SC	Asset Management	2.33	C	0	0	25,000	0	0	0	25,000
Jaycee Tot Lot Park Redevelopment	Play Areas	FAC	Upgrade	2.33	C	0	0	0	210,000	0	0	210,000
Administrative Building Upgrades and Improvements	Building Interior/Exterior	FAC	Asset Management	2.00	C	0	0	0	207,000	0	0	207,000
Van Voorst Park Redevelopment	Park Amenities	FAC	Asset Management	2.67	B	0	0	0	125,000	0	0	125,000
Smalley Pool Underwater lights & Exterior Lights Energy Retrofit Eng.	Building Interior/exterior	FAC	Upgrade	2.33	C	0	0	0	20,396	0	0	20,396
Butterfield Park and Recreation Building Lights LED Retrofits	Building Interior/Exterior	FAC	Upgrade	2.67	B	0	0	0	14,800	7,689	0	22,489
Plunkett Park Lights LED Retrofits	Building Interior/Exterior	FAC	Upgrade	2.33	C	0	0	0	0	3,053	197,950	201,003
Crestview Park Redevelopment	Park Redevelopment	FAC	Upgrade	2.75	B	0	0	0	0	0	480,000	480,000
Marjorie Davis Park Redevelopment	Play Areas	FAC	Upgrade	2.00	C	0	0	0	0	0	375,000	375,000

<u>Project Name/Description¹</u>	<u>Category</u>	<u>Dept.</u>	<u>Type</u>	<u>Criteria Rank</u>	<u>Priority Level²</u>	<u>FY 21</u>	<u>FY 22</u>	<u>FY 23</u>	<u>FY 24</u>	<u>FY 25</u>	<u>FY 26-30</u>	<u>Total</u>
Pioneer Park Upgrades	Play Areas	FAC	Upgrade	3.00	B	0	0	0	0	0	350,000	350,000
Plunkett Park Redevelopment	Athletic Fields	FAC	Upgrade	2.00	C	0	0	0	0	0	350,000	350,000
East End Park Redevelopment	Outdoor Bathrooms/Trails and Paths	FAC	Upgrade	2.50	B	0	0	0	0	0	270,000	270,000
Garden Plot Development	New Construction	PRK	Upgrade	3.00	B	0	0	0	0	0	187,000	187,000
Courts Plus Emergency Power	Mechanical Systems	ENT	Asset Management	2.00	C	0	0	0	0	0	135,000	135,000
Kiwanis Park Redevelopment	Park Amenities	FAC	Asset Management	2.67	B	0	0	0	0	0	95,000	95,000
Sugar Creek Irrigation Pump System Replacement	Mechanical Systems	SC	Asset Management	1.33	D	0	0	0	0	0	80,000	80,000
Wilder Mansion Emergency Power	Mechanical Systems	ENT	Upgrade	2.00	C	0	0	0	0	0	62,500	62,500
Contingency						75,000	75,000	75,000	75,000	75,000	375,000	750,000
Total Expenses						3,122,603	5,104,655	4,999,040	2,264,634	1,228,208	7,361,572	24,038,212

Summary of Proposed 2021-30 New and Major Redevelopment Expenses (includes Vision 2020 Future Year Projects)

Government Assets-Vision 2020 Projects (by Year and Amount in Descending Order)

<u>Project Name/Description¹</u>	<u>Category</u>	<u>Dept.</u>	<u>Type</u>	<u>Criteria Rank</u>	<u>Priority Level²</u>	<u>FY 21</u>	<u>FY 22</u>	<u>FY 23</u>	<u>FY 24</u>	<u>FY 25</u>	<u>FY 26-30</u>	<u>Total</u>
New Indoor Sports Facility	New Construction	ADMIN/FAC	New/Major Development	3.00	B	0	19,715,000	22,403,749	23,584,998	5,896,253	0	71,600,000
New Wagner Community Center	New Construction	FAC	New/Major Development	3.00	B	0	1,625,000	9,750,000	8,125,000	0	0	19,500,000
Dog Park Development	New Construction	ADMIN/FAC	New/Major Development	3.00	B	0	1,578,960	176,300	0	0	0	1,755,260
Land Acquisition	Land Acquisition	ADMIN	New/Major Development	2.33	C	0	500,000	500,000	500,000	500,000	2,500,000	4,500,000
Lizzadro Museum Demolition	New Construction	ADMIN/FAC	New/Major Development	2.67	B	0	300,000	1,000,000	0	0	0	1,300,000
Vision 2020 Projects Professional Services	Professional Services	ADMIN	Planning	2.67	B	0	25,000	0	0	0	0	25,000
Wilder Building (225 Prospect Ave)	Building Interior	FAC	Upgrade	2.33	C	0	0	300,000	0	0	0	300,000
Crestview Park Recreation Building Replacement	New Construction	FAC	New/Major Development	3.00	B	0	0	290,000	0	0	0	290,000
Wilder Park Recreation Building Replacement	New Construction	FAC	New/Major Development	3.00	B	0	0	270,000	0	0	0	270,000
New Eldridge Park Recreation Building	New Construction	FAC	New/Major Development	3.00	B	0	0	0	230,000	1,150,000	920,000	2,300,000
North Side Maintenance Facility	New Construction	PRK	New/Major Development	2.33	C	0	0	0	0	0	3,500,000	3,500,000
Total Expenses						0	23,743,960	34,690,049	32,439,998	7,546,253	6,920,000	105,340,260

Government Assets-Other (by Year and Amount in Descending Order)

Portable Stage	Grounds Equipment	PRK	Upgrade	2.50	B	0	150,000	0	0	0	0	150,000
Smalley Pool Bathhouse Replacement	New Construction	FAC	New/Major Development	2.33	C	0	0	0	0	0	3,200,000	3,200,000
Total Expenses						0	150,000	0	0	0	3,200,000	3,350,000

Enterprise Assets-Vision 2020 Projects (by Year and Amount in Descending Order)

Sugar Creek Maintenance Facility Redevelopment	New Construction	SC	New/Major Development	2.83	B	0	0	0	0	0	890,000	890,000
Total Expenses						0	0	0	0	0	890,000	890,000

Enterprise Assets-Other (by Year and Amount in Descending Order)

Courts Plus Expansion	Buildings	ENT	Upgrade	2.25	C	0	0	3,998,000	0	0	0	3,998,000
Courts Plus Racquetball Courts Conversion	Building Interior	ENT	Upgrade	2.00	C	0	0	0	0	0	615,000	615,000
Total Expenses						0	0	3,998,000	0	0	615,000	4,613,000

¹Project titles in the 2021 Capital Budget reflect work proposed for 2021 and may not reflect work proposed for 2022-30

²Priority: A-Highest; B-High; C-Medium; D-Low; E-No Need

2021 BUDGET: DEBT SERVICE OVERVIEW



Debt financing is used to fund one-time capital expenditures that are part of the Long-range Capital Improvement Plan. In 2010, the Illinois General Assembly approved that the District's bonding authority could increase annually based on the Consumer Price Index. These funds provide the District the ability to use long-term debt instruments and operating surpluses to finance large capital projects and repay outstanding debt rather than relying on funds that are needed to meet operating expenses. The District prepares detailed analysis of existing obligations, current and projected reserves and future liability levels before making a decision to issue new debt or refinance existing debt such as the refunding of the G.O. Debt Certificates in February 2012 (saving taxpayers over \$440,000 in interest expenses over the 10 years) and the 2006 G.O. Limited Tax Bonds in April 2014 (saving taxpayers \$204,528 during the twelve-year life of the reissued bonds). At the end of 2017, the District issued debt in the principal amount of \$4,310,000. Of the total issue, \$2,650,000 was primarily used to finance the acquisition and initial site preparation of newly acquired properties at 135 S. Palmer Drive, 447 W. Armitage Avenue, and 207 N. Hampshire Avenue. In addition, \$1,660,000 was included in the issue to replace the District's annual rollover bond amounts for fiscal years 2018, 2019, and 2020 to be used for additional capital project spending and for the repayment of outstanding debt. In December 2019, the District issued bonds in the amount of \$5,500,000 to finance the purchase of the Centennial Park property located at 155 E. St. Charles Road. Estimates of the principal and interest due are included in the schedule of outstanding debt for the proposed budget.

The District's current and proposed debt portfolio for 2021 is illustrated in the chart below:

Outstanding Debt					
Bond Issue	Funding Source	Principal and Interest Total Outstanding as of 12/31/2020	2021 Principal Payment	2021 Interest Payment	2021 Total Debt Payment
General Obligation Limited Tax Refunding Debt Certificates, Series 2012					
Expansion of Sugar Creek Golf Course (SC) and purchase and redevelopment of Wagner Community Center (WCC)	Annual Rollover Bond, Sugar Creek Golf Course Fund Revenues and transfers from the General and Recreation Funds	800,000	296,250	15,778	416,038
		<u>33,188</u>	(WCC)	(WCC)	
		833,188	98,750	5,259	
			(SC)	(SC)	
Debt Certificates, Series 2012A					
Purchase of 375 W. First Street, Administrative Offices	Annual Rollover Bond	660,000	55,000	12,870	67,870
		<u>91,520</u>			
		751,520			
General Obligation Limited Tax Park Refunding Bond, Series 2014A					
Redevelopment of East End Pool and Wilder Mansion and installation of two synthetic turf athletic fields at Berens Park	Debt Service Tax Levy	2,290,000	435,000	56,946	491,946
		<u>180,053</u>			
		2,470,053			
General Obligation Limited Tax Bond, Series 2017A					
Land Acquisition financing for 135 Palmer Drive, 447 Armitage Avenue and 207 Hampshire Avenue.	Debt Service Tax Levy	2,580,000	75,000	98,231	173,231
		<u>1,246,681</u>			
		3,826,681			
General Obligation Alternate Revenue Source Bond, Series 2019					
Centennial Park property at 155 E St Charles Rd.	Annual Rollover Bond	5,330,000	110,000	176,000	286,000
		<u>2,871,750</u>			
		8,201,750			
Proposed Debt for 2021					
2021 General Obligation Annual Rollover Bond					
Debt Certificates, Series 2012, Series 2012A, G. O. Limited Tax Bond 2019 and to fund capital improvements	Debt Service Tax Levy	598,794	598,794	5,988	604,782 ^[1]
		<u>5,988</u>			
		604,782			

^[1] Estimate (interest portion will be determined when the bond sale is negotiated)

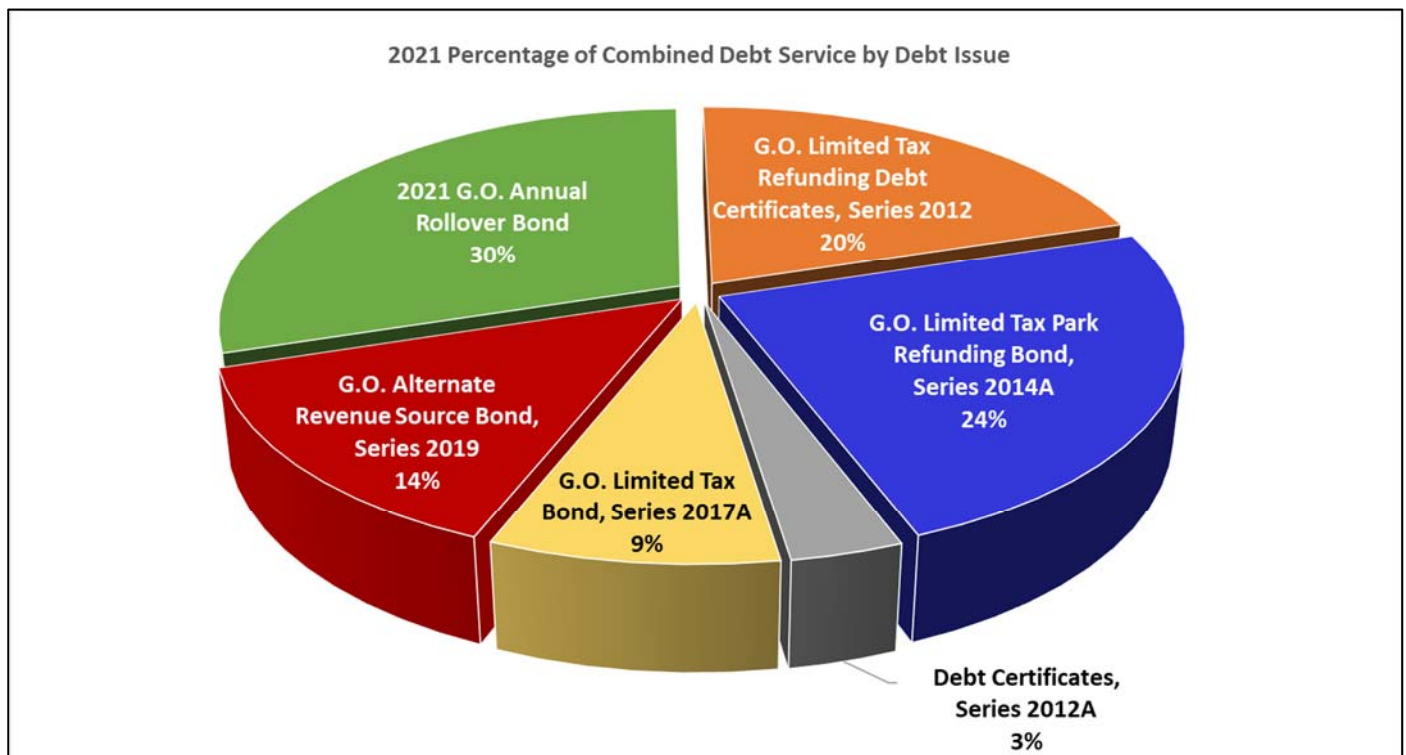
2021 BUDGET: DEBT SERVICE OVERVIEW



2021 Proposed Debt Service Revenue

The 2021 bond payments of \$2,037,016 detailed in the chart on the previous page (in the last column titled "Amount of 2021 Total Debt Payment") are budgeted in the Debt Service Fund along with bank and finance charges of \$2,000 and legal fees of \$5,000. Revenues in the Debt Service Fund to cover these payments are as follows:

- Taxes levied totaling \$1,269,959 to pay the 2014A G.O. Limited Tax Park Refunding Bond for East End Pool and Wilder Mansion and the 2017A G.O. Limited Tax Bond used to acquire properties at 135 Palmer Drive, 447 Armitage Avenue, and 204 Hampshire Avenue and the 2021 G.O Annual Rollover Bond;
- A transfer of \$104,009 from the Sugar Creek Golf Course Fund to the Debt Service Fund to pay the Sugar Creek Golf Course portion of the 2012 G.O. Limited Tax Refunding Debt Certificates;
- A transfer of \$75,000 from both the General Fund and from the Recreation Fund to the Debt Service Fund to pay a portion of the 2012 G.O. Ltd. Tax Refunding Debt Certificates for the Wagner Community Center; and
- G.O. Annual Rollover Bond proceeds of \$520,324 for a portion of the Wagner Community Center portion of the 2012 G.O. Ltd. Tax Refunding Debt Certificates for the Wagner Community Center, the Debt Certificates Series 2012A for the purchase of the Administrative Offices at 375 W. First Street and 2019 G.O. Ltd. Tax Bond for Centennial Park. Nearly all of the remainder of Annual Rollover Bond proceeds will be recorded in Capital Improvement Fund revenue to fund various capital projects (\$84,459 less interest).
- The Sugar Creek Golf Course Fund also includes a transfer of \$121,463 to the Village of Villa Park to pay the portion of the debt issued by the Village to purchase and develop the driving range.



2021 BUDGET: DEBT SERVICE OVERVIEW



Bond Rating

In 2017, the District's operations were reviewed by representatives from Moody's Investor Service through an analysis of financial information prior to the issuance of the 2017A \$4.3 million G.O. Limited Tax Bonds. Moody's assigned the District's bond rating as an Aa1 rating reinforcing the District's healthy financial position. Moody's report cited the District's "healthy financial profile, strong tax base made up of a high income and wealthy population, and moderate debt and pension" as reasons for the high bond rating. This rating enables the District to acquire debt financing for infrastructure or major capital at a significant savings of interest.

Debt Limit

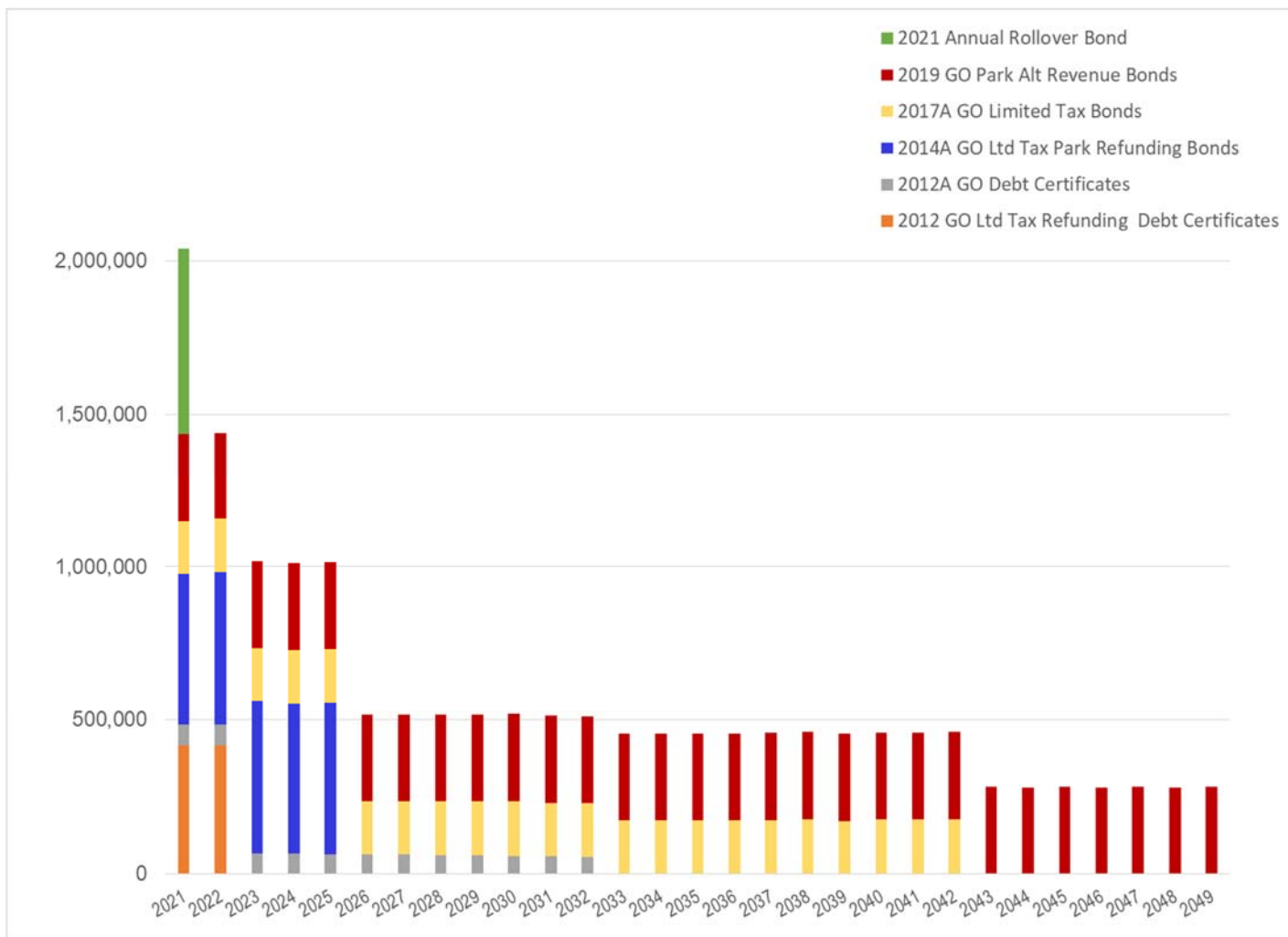
The legal debt limits as of December 31, 2020 for the District are 2.875% of the equalized assessed valuation (EAV) for total debt issued including referendum and non-referendum bonds. The District has approximately \$78 million in legal debt margin. The legal debt limit for non-referendum bonds is 0.575% of assessed valuation or \$15.6 million. Bonds are not included in the computation of statutory indebtedness unless the taxes levied to pay for such obligations are in fact extended. The District's long-term debt outlook is healthy as the District's percentage of legal debt limit, including the proposed annual rollover bond, is 9% of the total limit or \$6,928,794 (total remaining available limit is \$71,022,012) and for non-referendum General Obligation debt, the percentage of legal debt limit is 35% of the total limit or \$5,468,794 (total remaining available limit is \$10,121,367). The District's Moody's Investors Services Aa1 rating illustrates that the District is within a fiscally responsible level of debt. The chart below illustrates the legal debt margin calculations.

Estimated Legal Debt Margin Calculations			
<i>(as of December 31, 2020)</i>			
Tax Year 2019 EAV plus TIF EAV <i>(collectable calendar year 2020)</i>	2,711,332,372		
Non-Referendum General Obligation Debt Limit (0.575% of EAV)		15,590,161	
Statutory Debt Limit (2.875% of EAV)			77,950,806
Less: Bonded Debt			
Debt Certificates, Series 2012A (due 11/01/32)	660,000		660,000
General Obligation Limited Tax Refunding Debt Certificates Series 2012 (due 11/01/22)	800,000		800,000
Annual Rollover	598,794	598,794	598,794
General Obligation Limited Tax Park Refunding Bonds, Series 2014A (due 12/15/25)	2,290,000	2,290,000	2,290,000
General Obligation Limited Tax Park Bonds, Series 2017A (due 12/15/42)	2,580,000	2,580,000	2,580,000
Total Outstanding Debt:	6,928,794	5,468,794	6,928,794
Total Available Legal Debt Margins:		<u>10,121,367</u>	<u>71,022,012</u>
Percentage of Debt Limit Committed		35%	9%

2021 BUDGET: DEBT SERVICE OVERVIEW



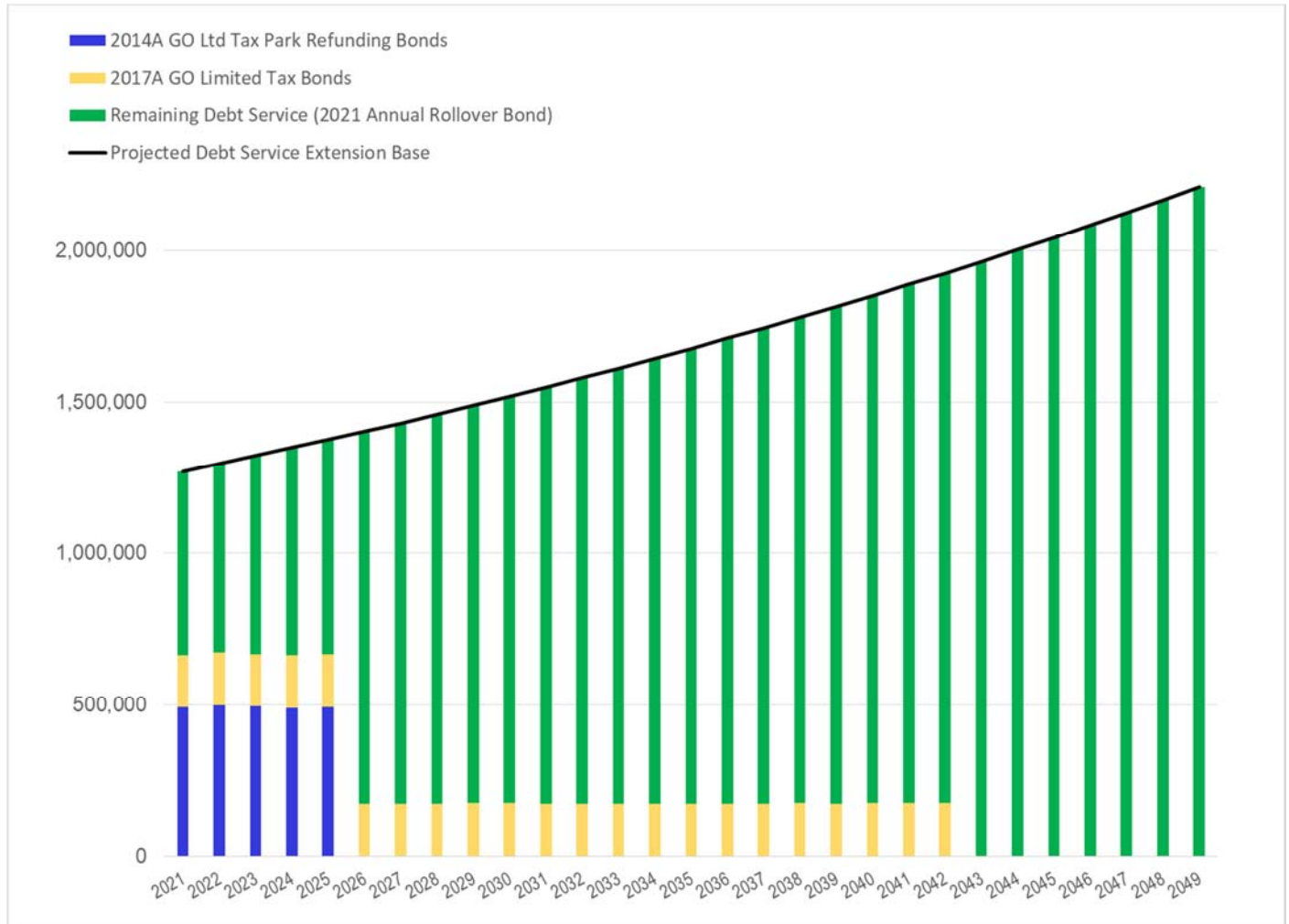
This chart illustrates all five of the District's long-term debt instruments as detailed in the chart on page 1, as well as the proposed 2021 annual rollover bond issuance. The various instruments mature and will be fully paid in the following years: 2022, 2025, 2032, 2042 and 2049.



2021 BUDGET: DEBT SERVICE OVERVIEW



This chart illustrates the District's projected long-term property tax funded debt service capacity combined with outstanding debt obligations that are required to be paid from the tax levy. As detailed, the District will have additional capacity to consider additional borrowing in future years in 2026 when the 2014A G.O. Limited Tax Park Refunding Bond is paid. The 2019 bond issue is paid over 30 years with the final payment occurring in 2049.



2021 BUDGET: DEBT SERVICE OVERVIEW



This table illustrates the District's debt service requirements to maturity of all outstanding debt with the annual principal and interest payments listed separately for each outstanding bond issue:

DEBT SERVICE REQUIREMENTS TO MATURITY

Fiscal Year	2012 GO Ltd Tax Ref Debt Certificates Issued \$3,710,000 Interest: 2.00% - 3.00%		2012A GO Debt Certificates Issued \$1,100,000 Interest: 0.60% - 2.50%		2014A Ltd Tax Park Refunding Bonds Issued \$4,455,000 Interest: 1.95% - 3.50%		2017A GO Ltd Tax Bonds Issued \$4,310,000 Interest: 3.75% - 4.00%		2019 GO Park Alternate Revenue Bond Issue \$5,500,000 Interest: 3.00% - 4.00%		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2021	395,000	21,037	55,000	12,870	435,000	56,946	75,000	98,231	110,000	176,000	1,070,000	365,084
2022	405,000	12,150	55,000	12,100	450,000	47,594	80,000	95,231	110,000	171,600	1,100,000	338,675
2023			55,000	11,275	460,000	36,906	80,000	92,031	115,000	167,200	710,000	307,412
2024			55,000	10,395	465,000	25,406	85,000	88,831	120,000	162,600	725,000	287,232
2025			55,000	9,460	480,000	13,200	90,000	85,431	125,000	157,800	750,000	265,891
2026			55,000	8,470			90,000	81,831	130,000	152,800	275,000	243,101
2027			55,000	7,425			95,000	78,231	135,000	147,600	285,000	233,256
2028			55,000	6,325			100,000	74,431	140,000	142,200	295,000	222,956
2029			55,000	5,170			105,000	70,431	145,000	136,600	305,000	212,201
2030			55,000	3,960			110,000	66,231	155,000	130,800	320,000	200,991
2031			55,000	2,695			110,000	61,831	160,000	124,600	325,000	189,126
2032			55,000	1,375			115,000	57,431	165,000	118,200	335,000	177,006
2033							120,000	52,831	170,000	111,600	290,000	164,431
2034							125,000	48,031	175,000	106,500	300,000	154,531
2035							130,000	43,031	180,000	101,250	310,000	144,281
2036							135,000	37,831	185,000	95,850	320,000	133,681
2037							140,000	32,431	195,000	90,300	335,000	122,731
2038							150,000	26,831	200,000	84,450	350,000	111,281
2039							150,000	21,769	205,000	78,450	355,000	100,219
2040							160,000	16,706	210,000	72,300	370,000	89,006
2041							165,000	11,306	215,000	66,000	380,000	77,306
2042							170,000	5,738	225,000	59,550	395,000	65,287
2043									230,000	52,800	230,000	52,800
2044									235,000	45,900	235,000	45,900
2045									245,000	38,850	245,000	38,850
2046									250,000	31,500	250,000	31,500
2047									260,000	24,000	260,000	24,000
2048									265,000	16,200	265,000	16,200
2049									275,000	8,250	275,000	8,250
Total	800,000	33,188	660,000	91,520	2,290,000	180,053	2,580,000	1,246,681	5,330,000	2,871,750	11,660,000	4,423,184

2021 BUDGET: DEBT SERVICE OVERVIEW



This table illustrates the District's debt service requirements to maturity of all outstanding debt, including the total annual payment for each outstanding bond issue:

DEBT SERVICE REQUIREMENTS TO MATURITY

Fiscal Year	2012 GO Ltd Tax Refunding Debt Certificates Issued \$3,710,000 Interest: 2.00% - 3.00%	2012A GO Debt Certificates Issued \$1,100,000 Interest: 0.60% - 2.50%	2014A Ltd Tax Park Refunding Bonds Issued \$4,455,000 Interest: 1.95% - 3.50%	2017A GO Limited Tax Bonds Issued \$4,310,000 Interest: 3.75% - 4.00%	2019 GO Park Alternate Revenue Bonds Issue \$5,500,000 Interest: 3.00% - 4.00%	Totals
2021	416,037	67,870	491,946	173,231	286,000	1,435,084
2022	417,150	67,100	497,594	175,231	281,600	1,438,675
2023		66,275	496,906	172,031	282,200	1,017,412
2024		65,395	490,406	173,831	282,600	1,012,232
2025		64,460	493,200	175,431	282,800	1,015,891
2026		63,470		171,831	282,800	518,101
2027		62,425		173,231	282,600	518,256
2028		61,325		174,431	282,200	517,956
2029		60,170		175,431	281,600	517,201
2030		58,960		176,231	285,800	520,991
2031		57,695		171,831	284,600	514,126
2032		56,375		172,431	283,200	512,006
2033				172,831	281,600	454,431
2034				173,031	281,500	454,531
2035				173,031	281,250	454,281
2036				172,831	280,850	453,681
2037				172,431	285,300	457,731
2038				176,831	284,450	461,281
2039				171,769	283,450	455,219
2040				176,706	282,300	459,006
2041				176,306	281,000	457,306
2042				175,738	284,550	460,287
2043					282,800	282,800
2044					280,900	280,900
2045					283,850	283,850
2046					281,500	281,500
2047					284,000	284,000
2048					281,200	281,200
2049					283,250	283,250
Principal	800,000	660,000	2,290,000	660,000	5,330,000	11,660,000
Interest	33,188	91,520	180,053	91,520	2,871,750	4,423,184
Total	833,188	751,520	2,470,053	751,520	8,201,750	16,083,184