

**MINUTES OF A MEETING OF THE FINANCE COMMITTEE HELD AT 5:00 P.M., WEDNESDAY, SEPTEMBER 14, 2022 AT THE NOBLE CENTER FOR PARK DISTRICT ADMINISTRATION, 1125 WEST LAKE AVENUE, PEORIA, ILLINOIS.**

**MEMBERS PRESENT:** Trustee and Chair Timothy Bertschy, Trustee and Vice Chair Alexander Sierra, and Executive Director Emily Cahill

**MEMBERS ABSENT:** None

**TRUSTEES PRESENT:** Trustees Timothy Bertschy, Kyle Bright (in at 5:11 pm), Laurie Covington (in at 5:39 pm), Joyce Harant, Alexander Sierra, Vice President Jackie Petty, and President Robert Johnson (in at 5:11 pm)

**STAFF PRESENT:** Executive Director Emily Cahill, Brent Wheeler, Attorney Bill Streeeter, Attorney Kevin Day, Nick Conrad, Matt Freeman, Becky Fredrickson, Mike Friberg, Chief Todd Green, Mary Harden, Willie Howe, Scott Loftus, Jess Main, Jonelle McCloud, Mike Miller (v), Brittany Moldenhauer, Shalesse Pie, Karrie Ross, Kristi Shoemaker, Yvonne Strode, Greg Walker, Sue Wheeler, and Alicia Woodworth.  
Note: (v) = Attended Virtually

**OTHERS PRESENT:** None

**1. CALL TO ORDER**

Trustee Bertschy presided and called the meeting to order at 5:04 pm.

**2. ROLL CALL**

**3. MINUTES**

**3.A. Approval of August 24, 2022 Finance Committee Meeting Minutes**

Trustee Sierra MOVED TO APPROVE the minutes of the August 24, 2022 Finance Committee Meeting Minutes. Motion seconded by Trustee Bertschy and carried on a unanimous aye.

**4. NEW BUSINESS**

**4.A. Proposed Extension of Downtown Stadium TIF**

Emily Cahill stated that she received a letter from City Manager Patrick Urich asking if the District would support an extension of the Downtown Stadium TIF District. Of particular note, unlike many TIFs, this TIF is the absolute shape of the stadium. Their position and request to extend the TIF District in order to help with the sustainability of the Chiefs. This TIF District will otherwise terminate in 2023 and was established in 2000 in order to assist in the rehabilitation of downtown Peoria. Currently, the real estate taxes on the stadium are approximately \$375,000 per year of which \$320,000 is repaid to the Chiefs as a TIF Reimbursement. Through discussion, the committee asked Emily Cahill to find out what the financial impact of the Stadium TIF extension would be to the Park District. She agreed to follow up with City Manager Urich and report back that amount.

#### **4.B. Review of Fees and Charges**

Karrie Ross stated she spent a considerable amount of time trying to determine what 2023 expenses/revenue she could provide context for the committee. We can expect significant increases in expenses due to inflation. Initial analysis of fuels and utilities is a 27% increase, and PT payroll is a 13% increase. Those two factors equate just over \$1 million. Management still needs time to evaluate supply expenses, and discuss with board fulltime personnel expenses.

Some of the expected increase in expenses will be offset by increased tax revenue but we do anticipate a shortfall. The District will discuss this with the Board in upcoming meetings. EAV is expected to increase however, it is still unknown by how much.

Charges for services need to increase. Staff has provided their recommendations, which is the topic of conversation tonight. At this juncture, the numbers are not final, the exercise is to vet staff's recommendations. It's likely some fees will tweak as we work to balance the budget. Ultimately, it's incredibly unlikely we'll fully balance the budget with just charges for service increases.

When setting fees, staff relies on policy. Section 12.02, Admission Fees & Charges "In setting the rate, the Board may consider any factor it deems relevant, including the following:"

- Cost of Service/Activity
- Competitive Factors (i.e. market analysis/trends)
- Mission-driven Commitment as expressed in the Commitment to Diversity Equity and Inclusion

The Peoria Park District is committed to providing services in our spaces and places that are inclusive, impactful, and grounded in social equity principles.

With these commitments at the fore, the Peoria Park District Board of Trustees must govern in a manner that honors the critical balance between access and inclusiveness and responsible allocation of resources that supports sustainability of the District and community.

Given the volatile and inflationary economic climate that our community, state, and nation is currently experiencing, staff recommends the following approaches to the establishment of fees and charges in Fiscal Year 2023:

- a. Admissions/Specialized spaces/services: This part of the District's inventory is specifically focused on providing access to amenities in our community that, now and/or at the time of development, could not be sustained locally by the private sector. These offerings are essential to a vibrant, attractive community and include Peoria Zoo, Peoria PlayHouse Children's Museum, PPD Golf, the RiverPlex Recreation and Wellness Center, and Owens Ice Center.

Fees for these facilities should be set such that they are competitive with other comparable offerings in the larger region and that they defray the costs associated with operations to the fullest extent possible. Staff should balance competitiveness

and also value the product provided to honor the quality and professionalism that is prioritized by our organization.

District scholarships, donation days, and the Summer of Fun program, as long as it is a viable financial option for the District, should be relied upon to ensure accessibility of these locations and associated services, rather than artificially keeping prices low.

Department-specific strategies:

Golf: Staff recommends that all greens fees at all levels increase by \$3 per round.

Owens Ice Center: Owens Center has traditionally set rates with a resident/non-resident differential for all programming and rentals due to a significant historic reliance on non-residents to support the facility. To increase revenues to meet growing expenses AND strive to remain competitive with other ice facilities in the region, which is critical to the facility's sustainability, Owens will move all rates to the non-resident rate in 2023. In the limited instances where that differential is not in play, Owens will keep rates static to stay competitive in the region.

Peoria PlayHouse Children's Museum: All admission rates, but for the Explorer rate which supports WIC/LINK and remains flat, increase by \$1 per person.

Peoria Zoo: Staff will increase fees by \$.75-\$1.00 depending on category. This is justified given that the last increase in fees was in 2020 and the Zoo continues to experience increases in operating costs. Further, regionally, Wildlife Prairie raised prices in 2021; Scovill Zoo in 2021 & 2022; and the Peoria Chiefs, Rivermen and Riverfront Museum all raised prices in 2022.

Proctor Recreation Center: No change in fee structure from 2022 is recommended to recognize the commitment of the District to equity and inclusiveness. Here, the desire to make all programming accessible to low-income/underserved populations in the face of inflationary expenses for individuals and families outweighs the need to recover increased costs of the District (due in large part to grant revenues received from other sources).

- b. Memberships: Generally, memberships provide an opportunity that is both cost-effective and that encourages brand loyalty to a District facility or service. Given the increases in single admission rates across most, if not all, facilities, a corresponding increase in membership rates is both justifiable and necessary to generate some additional revenue to support rising expenses.

Department-specific strategies:

Forest Park Nature Center: Memberships at Forest Park Nature Center currently start at \$20 for a student/senior. Given the quality of the facility's offerings, staff recommends a strategy that will increase membership rates incrementally over the next 3-5 years to support the operations of the facility and honor the significant

benefits offered to those who purchase an annual membership. Please see the commentary under the programming section for more rationale related to this proposed increase.

Golf: All memberships at all levels increase by \$15, with the exception of Add a Junior, which increases from \$1 to \$10 for annual passes. At proposed levels, the District's rates remain very accessible and make golf affordable at all levels.

Gwynn Family Aquatic Center: District staff proposes to reduce the fee for a membership to provide a cost-effective way to enjoy the aquatic center for those families who are not eligible for the Summer of Fun pass.

Luthy Botanical Garden: A \$5 increase at lower levels and a \$10 increase at higher giving levels is recommended for 2023 to offset increased costs at the facility.

Peoria PlayHouse Children's Museum: A \$5 increase at every level of regular membership is recommended for 2023. This aligns with the slight increase in daily admission rates. All Explorer memberships which are available to families on WIC/LINK will increase by \$10 after the resident/non-resident differential was removed. Prescription for Play membership rates are determined by the collaborative agreement with local medical facilities and will remain steady at \$95 in 2023.

Peoria Zoo: Membership rates are set by Peoria Zoological Society. PZS is still working to determine its recommended strategy for 2023. 70% of membership revenue stays with PZS to support their operations and the remaining 30% comes to the Peoria Park District to support operating costs of the facility.

Proctor Recreation Center: No change in fee structure from 2022 is being recommended to recognize the commitment of the District to equity and inclusiveness. Here, the desire to make all programming accessible to low-income/underserved populations in the face of inflationary expenses for individuals and families outweighs the need to recover increased costs of the District (due in large part to grant revenues received from other sources; if grants are discontinued, the fee schedule for Proctor will have to be revisited).

RiverPlex Recreation and Wellness Center: Membership rates are proposed to stay steady in 2023 due to the fact that current membership rates are towards the high end of the Peoria market. Given the impacts of COVID during the busy season (December-February) last year, it is the position of staff that keeping rates steady will help with recruitment and result in higher revenues in 2023.

- c. Programming: The District provides a multitude of activities that are focused on improving our patrons' health and wellness and/or building skills. Generally, fees should be placed at a rate where the program is accessible to all. When programs are more specialized and target advanced skill development or niche audiences,

fees should be more competitive with the private sector and rely less on public tax subsidy to make a program budget viable and sustainable.

Program fees should cover the costs of staff, program supplies, and contractual services as much as possible, EXCEPT where the subject matter builds basic life wellness skills or the target audience of the service is primarily economically distressed.

Department-specific strategies:

Aquatics: Generally flat pricing. Despite rising labor costs, the overall commitment to helping kids and families swim and learn to swim drives staff recommendation to keep fees at an accessible rate.

Athletics: Except where pricing is already at levels that are comparable with those in the local market, all proposed fees are approximately 5-10% higher to cover rising personnel and supply costs.

Day camps: Increases of \$10 per week on average help offset the increase in camp counselor wages, which has proven necessary to recruit and retain counselors in the current labor market.

Fitness Classes: To support access by seniors, fees remain flat in this category. In the current economic environment, flat fees should be considered discounts and accessibility supports.

Forest Park Nature Center: Generally, these fees are under both market value and patron perception of value/quality. It is the goal of staff to incrementally increase fees over the next 3-5 years to make program fees representative of the expertise of our staff who plan and facilitate outstanding education and advocacy opportunities for our community. In 2023, the increase across programs is an average of 20%. Please note that this percentage is really a mechanism of low starting fees (\$2 to \$3 is a 50% increase!)

Luthy Botanical Garden: Adult programs and tours, both onsite and offsite will increase by \$10 per person, which children's programs and tours will remain at current levels to support accessibility and opportunities for engagement with youth. Wreath and container classes will remain steady to try to grow participation.

Peoria PlayHouse Children's Museum: All admission and program fees increase between \$.50 and \$1.00 to cover increased labor and program supply costs associated with programs.

Peoria Zoo: While nearly all programs propose an increase, no program is proposed to increase more than \$2 per person, with most increases between \$.50 and \$1. These increases are proposed to cover additional staffing and program supply costs.

Proctor Recreation Center: Generally, there is no planned change in fee structure from 2022 to recognize the commitment of the District to equity and inclusiveness. Here, the desire to make all programming accessible to low-income/underserved populations in the face of inflationary expenses for individuals and families outweighs the need to recover increased costs of the District (due in large part to grant revenues received from other sources; if grant funding were to change, then this rationale will have to be revisited).

Please note that camps and middle school basketball leagues both have a minimal increase. Camp increases will be offset by a corresponding increase in scholarship support. The basketball league supports teams from the region who can sustain an increase in fees.

Sommer Farm: All programming will increase \$1 per person per activity to cover increases in staff costs and program supplies, while still remaining affordable and accessible.

- d. Community Events: The District supports a wide range of activities that draw from both local and regional audiences and contribute to community vibrancy. Where the event relies upon District resources to plan, facilitate, and execute, associated fees should combine with sponsorship support to minimize tax support of this work. With significant community support of many PPD events, events like WorldWide Day of Play, 3<sup>rd</sup> of July, and Earth Day are free to the public.

Where fees are necessary for sustainability, passes will be provided through other District programs, local schools or service organizations to ensure participation and access by local residents in economically distressed neighborhoods.

Department-specific strategies:

Luthy Botanical Garden: Both the Autumn Market and Winter Wonderland will remain at current admission levels to help grow both events and support accessibility.

PPD Events: Cultural festival rates are set by the non-profit partner of each event.

SoulFest fees will be based on the acts contracted to perform and the cost/appeal thereof. The SoulFest committee, which is comprised of staff, trustees, and community members will establish these rates per tradition.

Fundraiser fees are set based on the costs of food, beverage, and entertainment. Each event will offer an early bird discount to encourage participation.

Peoria Zoo: All fees will remain stable in 2022 because many of the planned events were new in 2021. The target is to grow participation as the revenue driver in 2023.

- e. Rentals and Impact on Access to Open Space: The District allocates a significant portion of its tax revenues to support open green space and amenities throughout its service area.

Generally, there is no fee associated with this access and that is by design. However, where a park, park amenity, or park facility (in whole or in part) is reserved for the exclusive use of an individual or group and/or where staff time is required for direct oversight or support, fees should be charged to recover the costs associated with that use to include both direct and indirect costs.

To ensure accessibility of park space and amenities for this category of use, the District shall offer a select number of its picnic shelters for reservation use at a rate that is accessible to interested patrons, but that helps to defray the specific costs of said usage.

Department-specific strategies:

Shelter Rentals: For those shelters that are reservable, fee increases are incremental (\$75 to \$100/ \$100 to \$125) and based on labor costs and program supply increases.

Park Rentals: ALL rentals will be based on an hourly rate of \$60 (plus any direct costs) to reflect the costs of maintaining the spaces and places across the District and the lack of access by the public during rental usage. Where appropriate, discounts will be offered to reflect the community impact of the proposed event as an offset for District recognition at the event. Discounts will be focused on non-profit, community vibrancy events and will not include direct costs attributable to the event.

Recreation Center rentals: Increases reflect higher costs associated with staff and utilities. No increase is greater than 10% in 2023, except for overnights at the RiverPlex, which require significant staff and security resources to accommodate and will therefore increase by \$100 per event. In contrast, Proctor Recreation Center rental rates: No change in fee structure from 2022 to recognize the commitment of the District to equity and inclusiveness. Here, the desire to make all programming accessible to low-income/underserved populations in the face of inflationary expenses for individuals and families outweighs the need to recover increased costs of the District (due in large part to grant revenues received from other sources; if grant funding were to change, then this rationale will have to be revisited.).

Peoria PlayHouse Children's Museum: All private parties have proposed increases of between 10-20% to recognize significantly higher staff and utility costs associated with operations outside of normal operations. Parties held after-hours see rate increases at the higher end of this scale.

Peoria Zoo: Except for 10-15% increases in ZooMobile rentals to cover fuel and staff costs, all other rental rates will remain stable for 2023. Rental rates were raised in 2022 and many are at the upper end of local rates.

Sommer Farm: Daily rates are proposed to increase by between \$25-50 at this facility.

Camp Wokanda: Fees for event rentals are proposed to increase between 10-20% due to high demand and increased costs. Staff believe that the market will accept these increases and that it is necessary to support the ongoing maintenance of the facility.

Trustee Harant asked if there is a way to see what the current membership and programming actual cost is for this year. Emily Cahill stated that is somewhat difficult at this time due to the complexity of the District's approach. The cost recovery process is very complex as they are all different. The District did provide you with a cost per unit. A full cost analysis for the year can not be determined until the end of the year.

Trustee Bertschy encouraged everyone to spend time thinking specifically about the listing of fees provided to the committee and whether or not you think the increases that will be generated will prevent people from accessing the District's services and in particular, recognizing the District's mission driven commitment to diversity, equity and inclusion. He stated the committee needs to develop a budget process that everyone is comfortable with. There will be a Finance Committee meeting in the next couple weeks where significant time will be given to discussing fees and charges and Trustee Bertschy stated everyone is welcome to attend.

**5. OLD BUSINESS**

None at this time.

**6. PENDING BUSINESS**

**6.A. Capital Prioritization**

Trustee Bertschy stated that at the last meeting, President Johnson requested the committee to review the issue of finding funds to begin work on the playground at Glen Oak Park. Staff has been working on this as well. There is no final report tonight, but Trustee Bertschy stated the committee is reviewing the best options that include the possibility of looking into any possible grant funds available. It's his understanding that the earliest work can begin on the playground is next February or March. Becky Fredrickson stated it depends on the type of funding that is chosen. Emily Cahill stated included with tonight's handouts is a status update on each of the funding possibilities. Staff will continue to provide updates as they work through the process of developing the funding. She stated that the District is committed to finding the best funding recommendation for funding the playground which is estimated to be approximately \$1M.

President Johnson expressed his frustration in the delay of presenting a viable funding solution so that the project can get started as soon as possible. Emily Cahill stated that the District is most definitely committed to the project and hopes to have a final funding recommendation presented in early October. Trustee Bertschy stated that President Johnson had requested the committee to find funding for the playground and the thought process was to do that in conjunction with the budget process as it would be constructed in early 2023 and he thinks they're right on track to do just that.

**7. OTHER BUSINESS**

None at this time.

**8. ACTION STEPS REVIEW**

1. Follow up with funds recommendation for Glen Oak Park playground project.
2. Set meeting date for next Finance Committee meeting.
3. Report back what the financial impact of the Stadium TIF extension would be to the Park District

**9. ADJOURNMENT**

At 6:04 p.m., Trustee Sierra MOVED TO ADJOURN. Motion seconded by Trustee Bertschy and carried on a unanimous aye.

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Respectfully Submitted by Alicia Woodworth  
Executive Assistant and Secretary to the Board