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TO: Board of Park Commissioners DATE: March 18, 2026

FROM: John Cutrera, Director of Finance/Human Resources

cc: Lisa Sheppard, Bobby Collins, Kyle Kuhs

SUBJECT: FY 2026/27 BUDGET – APPROVAL DRAFT

INTRODUCTION

This memorandum has been prepared to provide the Board with a better overall understanding of the budget, and specifically to assist the Board in reviewing and summarizing the Fiscal Year 2026/27 Budget. This budget is scheduled to be discussed and approved by the Board at the regular board meeting on March 18, 2026. Many hours of preparation, involving all levels of staff, have gone into the development of this budget.

To provide consistency for comparison, staff continues to use the same format in preparing this budget as in past years beginning with "Budget Premises" stated in this BUDGET MEMORANDUM/OVERVIEW. These premises represent the foundation upon which the budget is constructed. The BUDGET SUMMARIES section in Tab 2 gives a summary overview of operating revenues, operating expenses, net surplus/ (deficit), fund balances, and a specific look at the Corporate and Recreation Fund balances. The NARRATIVE REVIEW then follows in Tab 3, followed by the DETAIL BUDGETS BY FUND in Tab 4. The CAPITAL PROJECTS PROGRAM in Tab 5 is a review of proposed capital improvements and purchases which were identified by staff and Board as priority projects. The District's Capital Projects Multiple Year Overview is presented in Appendix A. Operational capital is shown in Appendix B and Master Plan Capital Project Funds (65, 68 and 69) capital for the current budget year is shown in Appendix C. Tab 6 provides a SUMMARY OF THE BUDGET BY CATEGORIES of operating revenues and expenses. In Tab 7 are memorandums explaining rationale for the proposed merit increase and proposed conferences/training/tuition. In Tab 8 is the updated 5-year Budget Projection Plan. Tab 9 reflects recreation program fees and facility fees that impact total revenues.

BUDGET PREMISES

The Fiscal Year 2026/27 Budget and related capital improvements/projects program were developed based upon the following premises:

1. To continue to provide existing levels of service and to provide the residents of the Glencoe Park District with new and increased levels of service at the Takiff and Weinberg Centers, as well as other facilities and parks within the District, as directed.

2. The Park District adopted an *operating* Tax Levy Ordinance this past November in the

amount of $5,920,000 for tax year 2025 (Fiscal Year 2026/27). This operating levy represents an 5.88% increase over the previous year, and as in prior years is intended to capture all new growth available in the midst of the tax cap. For tax year 2025, old growth will be capped at 2.9% in accordance with PTELL. The *total* levy also includes $1,277,969 in debt service for principal and interest payments on the District's two outstanding bond issues.

3. Strive to maintain a Board-approved level for annual operating reserve fund balances within both the Corporate Fund (50%) and Recreation Fund (50%), per the District's Fund Balance Policy. Staff is pleased to report that the FY2026/27 Budget reflects reserve levels above the minimum guidelines.

4. Based on the District's ability to meet these Fund Balance Policy requirements, it is the Board's past practice and philosophy to commit a portion of these monies to future Master Plan projects. Typically, this is done by formal board action at the February Board Meeting. Staff has proposed an $700,000 transfer from the Corporate Fund and a $1,250,000 transfer from the Recreation Fund to Fund 69 in the FY26/27 Budget.

5. The proposed capital program provides for maintenance, improvements and equipment purchases. Staff recommends that the capital program include the following:

   A. The **Capital Projects Fund (65)** be used to fund **$749,500** in projects. (See Tab 5).

   B. The **Corporate Fund** be used to fund **$267,250** in **operational** capital improvements.

   C. The **Recreation Fund** be used to fund **$33,315** in **operational** capital improvements.

   D. The **Special Recreation Fund** be used to fund **$270,000** in ADA-related capital improvements.

   E. The **Liability Fund** be used to fund **$115,000** in **operational** safety-related capital items.

   F. The **2025 Bond Proceeds Capital Fund (68)/ Master Plan Capital Fund (69)** be used to fund **$10,561,441** in capital improvements/projects related to the master plan. Projects for FY2026/27 include the completion of the Maintenance Center/Takiff Ballfield, Beach Structures (Trellis and Sun Shelters) and Beach Playground.

6. Each year, the Park Board authorizes a merit pool which is spread to Grade 1 (full-time) employees, excluding the Executive Director's position. A 2.9% COLA and 1.10% merit pool was approved by the Board and is included in this Draft of the Fiscal Year 2026/27 Budget. The County Clerk will use 2.9% for calculation of the tax cap in tax year 2025. See Tab 7 for an additional detailed memo on the proposed merit pool.

7. Accomplish #1-6 above, in accordance with the already adopted tax levy and the Park Board's historically expressed desire of maintaining the composite tax rate at a responsible level which is reflective of the community's preparedness to support local park and recreation services.

BUDGET SUMMARIES

This section provides a financial summary of all funds as related to:

1. Summary – FY 2025/26 Budget,
   FY 2025/26 Projections,
   FY 2026/27 Budget (Schedule 1)
2. FY2025/26 Budget (Schedule 2)
3. FY2025/26 Projections (Schedule 3)
4. FY2026/27 Budget (Schedule 4)
5. General & Admin Allocations
6. Fund Balances
7. Corporate and Recreation Fund Balance Summaries
8. Summary of Recreation Program by Program Category
9. Overview of Recreation Fund Budget

As of **February 28, 2026**, the projected **Fund Balance in the Corporate Fund** of **$2,173,772** meets the reserve guideline of 50% of operating expenditures. (This compares to expected ending balance per last year's budget of $1,905,772 – an increase of $268,000). This increase is due in large part to a significant increase in interest income and lower than expected actual operating costs due to turnover in staff.

As of **February 28, 2026,** the projected **Fund Balance in the Recreation Fund** of **$5,803,472** meets the reserve guideline of 50% of operating expenditures. (This compares to expected ending balance per last year's budget of $5,381,930 – an increase of $421,542). This increase is due in large part to a significant increase in interest income and lower than expected actual operating costs due to turnover in various positions along with very strong recreation programming results.

Given these fund balance levels, and per the District's Fund Balance Policy, staff proposed that approval of transfers from the Corporate Funds and Recreation Funds in the amounts of $700,000 and $1,250,000, respectively, at the February 17, 2026 Board Meeting. The funds will then be transferred in July after the annual audit has been approved and balances are final. **In the past ten years, the Board has now approved a total of $14.8 million to be "committed" for future master plan improvements/capital projects, which has significantly reduced needed debt for taxpayers to complete projects identified as part of the master plan process.**

As of **February 28, 2027,** given that budget projections are accurate, the operating fund balance in the Corporate Fund will stand at approximately **$1,992,135**, and in the Recreation Fund, it will stand at approximately **$5,767,647.**

CAPITAL PROJECTS PROGRAM

The projects and items being recommended to the Board of Park Commissioners for completion in Fiscal Year 2026/27 are identified in Tab 5.

The proposed master plan capital projects to be funded from **Funds 30, 68 and 69** are shown below.

1. Greenhouse	$	50,000
2. Maintenance Center/Ballfield	$	4,177,859
3. Beach Structures	$	3,287,382
4. Beach Playground	$	934,039
5. West Park	$	1,752,161
6. Friends Playground	$	90,000

CONCLUSION

The operating portions of the proposed budget were developed in keeping with past practice. In essence, most line items were adjusted based on the current actuals projected in FY2025/26, and reflect tax revenues as approved in the Tax Levy Ordinance, along with program fees, licenses, rentals, and other income. On the expense side, adjustments were made to reflect anticipated inflationary increases for supplies and services, or specified increases/ decreases where costs are known.

As discussed in the “Budget Premises” section of this memorandum, the proposed capital improvements represent projects and purchases needed to maintain the total park system. Staff acknowledges that the capital improvements/projects portion of the Fiscal Year 2026/27 Budget could still be amended by the Board. Given the further prioritization of the master plan projects, additional capital projects could be identified to be completed in the near future.

The accompanying budget document is the result of many hours of effort expended by staff. I would personally like to thank all who helped in the development of this FY2026/27 Budget.

As always, please don't hesitate to call if you desire a clarification or additional information.