

**NWSRA Finance Committee Meeting
October 31, 2025, 10:30 a.m.**

Director Jarog called the meeting to order at 10:30 a.m.

Present: Kevin Romejko, Bartlett Park District; Jim Jarog, Mt. Prospect Park District; Ben Rea, Palatine Park District; Nick Troy, Rolling Meadows Park District; Diane Hilgers, Salt Creek Park District; Jay Morgan, South Barrington Park District; Nick Eckelberry, NWSRA; Andrea Griffin, NWSRA.

Public Comment: None

Guests: None

I. 3rd Quarter Financials

Manager of Finance Eckelberry reviewed the reports in the packet and asked if anyone had any questions. There were none.

II. Investment Update

Michelle Bins from PFM Investments shared the 2025 investment update with Manager Eckelberry prior to the meeting. Manager Eckelberry shared that NWSRA's Investment Account portfolio is well positioned with CDs maturing through Spring 2026. All principal and interest on these CDs are FDIC insured. The Capital Reserve Account is invested in the liquid Illinois Portfolio, IPDLAF+ Class and is available for use anytime NWSRA needs it. Manager Eckelberry stated that typically, staff and PFM would present balances as of the most recent month-end in this presentation. Since NWSRA had some CD maturities and purchases in October in the Investment Account, and withdrew \$195,000 in the Capital Reserve Account, staff and PFM wanted to present the most up to date information available and dated the data as of October 22, 2025. In September, the Fed delivered its first rate cut of 2025, lowering the federal funds target range to 4.00% - 4.25%. Fed Chair Jerome Powell described it as a "risk management cut" reflecting growing concerns over the labor market. The median forecast from the Fed's September "dot plot" showed an additional 50 basis points (bps) of rate cuts this year, 25 bps more than its June projections. As the Fed cuts rates, short-term investment rates will likely move lower as well which will affect NWSRA's interest income moving forward.

III. PYE 2025 Budget Variance Explanation

Manager Eckelberry gave an overview of the PYE2025 budget. When discussing revenue, he reminded the committee that under Transportation Pick-up Points the main reason we will be coming in under what is budgeted is that 62% of this budget was for PURSUIT, and that we are not collecting any money in this account for the year. In Sale of Fixed Assets, we are significantly over budget due to selling two buses at the end of the year and in Interest we are projecting to end over budget due to CD reinvestment strategy. NWSRA had better rates on short-term CDs, therefore many were reinvested at 3-month

terms. Allowing more revenue to be recognized in the current year, instead of stretching into 2026. Manager Eckelberry shared some highlights for expenses. Professional Fees are over budget due to legal fees staff did not budget for. Under Credit Card & Bank Fees, staff are projecting to end the year over budget due to much higher credit card fees this year. More families utilized payment plans, and families were not charged a fee for each transaction. Director Griffin discussed why part-time salaries are projected to end the year with higher expenses than budgeted. She shared that when looking at the last 4 years, the part-time staff line item is notorious for having the amount being lower, than the amount staff have requested, and has continued over the last few years to end the year significantly over budget. In Liability Expenses unemployment is significantly higher than budgeted. The departure of highly compensated staff that claimed unemployment benefits had a large impact on this line. PDRMA Liability insurance was also not budgeted accurately once we received our final rates for 2025.

IV. Proposed FY 2026 Operating Budget Summary & Budget Assumptions

Director Griffin started by sharing that any budgeted profit/loss for 2025 she would like to bring to the NWSRA Board for approval to move that money into Capital. Manager Eckelberry and Director Griffin took the Committee through the 2026 Budget, focusing first on revenue. Staff created a 3-year program fee plan, implementing the first year in 2026 with slight fee increases across NWSRA programs. Discussion took place regarding the reimbursements from Clearbrook for administrative expenses of NWSRA for the PURSUIT Adult Day Program. Manager Eckelberry shared insight regarding expenses in the proposed 2026 budget. Under professional fees, there is a one-time cost for HR Source Salary Survey and for strategic planning. Credit Card & Bank Fees is much lower than previous years due to passing credit card processing fees onto registrants. Under Conference/Education only sending leadership, management, and inclusion team to the annual IPRA Conference. Remaining staff all received budgeted allotment to use towards trainings, conferences, or webinars that better suit their job duties. Staff have also eliminated lunch from yearly staff evaluations. Under Health Insurance the budget reflects the large increases from PDRMA due to a high loss-to-contribution ratio for the last 5 years. Rates were lowered by 2% for all coverage tiers to help ease the impact on staff. Computers will see a large increase from previous year's budgets, due to the addition of RecTrac in the Operating budget. The addition of Paycom into the operating budget was primarily offset by the discontinuation of BambooHR, Makeshift, and Accufund's payroll module. Staff will be proposing new finance software, this cost is built into the Capital Budget for the first year, but still budgeted in 2026 for 12 months of Accufund, due to the anticipation of a few meetings to extract all NWSRA data. Staff does not expect to use Accufund for all of 2026. Commercial Expenses are higher than previous years due to budgeting all trip expenses in this line; meals/entrance fees, hotels, travel expenses and money for emergency expenses while away on trip. Part-Time salaries are budgeted to reflect closer to the FYE of previous years in addition staff have created a "paid leave" account. In 2026, all part-time paid leave will be charged to new "paid leave" account. For

2026, IMRF is budgeted at the anticipated rate of 4.25%, current rate for 2025 is 3.75%. The preliminary rate received from IMRF on 10/27/2025 is 3.62% but will be confirmed in November. Inclusion Salaries contains the addition of an "inclusion paid leave" account. Previously, paid leave wages were charged to the member park district they were scheduled to work. For example, if an employee was scheduled to work inclusion at Bartlett and requested paid leave, their wages were charged to "Bartlett Inclusion Salary". In 2026, all part-time paid leave will be charged to the new "inclusion paid leave" account. When calculating the 2027 MDAA, this amount will be split amongst all 17 member park districts, resembling how Rover salaries are allocated in the MDAA process.

Budget key highlights discussed by Director Griffin included health insurance, merit information, part-time staff ranges and strategic planning.

Director Griffin asked for a motion to recommend the proposed FY 2026 operating budget, as presented to the Finance Committee, to the full NWSRA Board.

Director Rae made a motion and Director Hilgers second the motion.

Roll Call

Bartlett: yes

Mt. Prospect: yes

Palatine: yes

Rolling Meadows: yes

Salt Creek: yes

South Barrington: yes

Motion passes

V. Proposed FY 2026 Operating Budget Summary & Budget Assumptions

Director Griffin shared the Capital Budget, explaining that moving forward, in 2026 the capital budget will be a rolling budget. Director Griffin shared that the "projects" line in the budget was removed and that a handful of expenses previously in the capital budget were moved into the operating budget. Director Griffin shared that she is working closely with Director Troy to ensure the capital budget reflects expenses related to capital work occurring at Park Central and that staff meet with the HVAC company to create a timeline for replacement of HVAC units. There was a discussion on how capital was funded and if in the future there needed to be an increase to the MDAA with the increase always going to capital.

Director Griffin asked for a motion to recommend the proposed FY 2026 capital budget, as presented to the Finance Committee, to the full NWSRA Board.

Director Rae made a motion and Director Jarog second the motion.

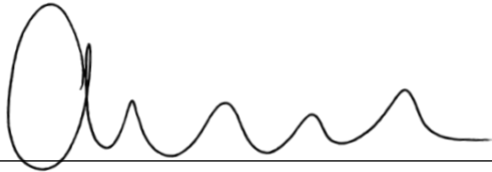
Roll Call

Bartlett: yes

Mt. Prospect: yes

Palatine: yes
Rolling Meadows: yes
Salt Creek: yes
South Barrington: yes
Motion passes

Director Jarog adjourned the meeting at 11:59 a.m.

A handwritten signature in black ink, consisting of a large initial 'A' followed by a series of loops and a final flourish.

Andrea Griffin | Executive Director

11/19/2025

Date