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Elk Grove Park District Committee of the Whole Meeting Minutes

December 12, 2019

5:00 p.m.

President Walz called the meeting to order at 5:00 p.m.

In attendance: President Walz, Commissioner Biedke, Commissioner Cooke,
Commissioner O'Malley and Commissioner Souder (arrived at 5:00pm)

Staff: Ben Curcio, Brad Sholes, Tim White, Kelly Carbon, Tom Klaas

BINA HEARING

President Walz stated, As President of the Board, I am calling for a BINA hearing under executive order, to be held January 9, 2020 for bonds in the amount not to exceed \$2,500,000. Hearing to be held in the Administration Building of the Elk Grove Park District.

DISCUSSION ON 2020 BUDGET

Executive Director Curcio started off by thanking staff for their hard work and collaboration during the budget process. He stated that he would like to abide by the three commissioner rule to change something in the budget book. Director Curcio added this is the first time the budget meeting is held during a committee of the whole meeting, but he and staff will answer all questions.

Director Curcio began the discussion with the 2020 budget summaries. He explained that all revenue and expenditures are up due to the golf course project. Otherwise, we are steady from last year. Director White said that we could hear as early as the end of the month on the OSLAD grant.

Director Curcio stated the Chelmsford property demolition will begin the spring of 2020. The project will go out to bid in February with the demo taking place in March.

President Walz asked about the -452% percentage change in surplus to deficit from the 2019 budget to the 2020 budget. Director Sholes stated the main reasons are the 2019 numbers does not include the athletic programs, which 2020 includes. Plus, the construction costs for the golf course clubhouse and maintenance project are included in the 2020 budget.

Goals - Commissioner Souder questioned how Aquatics is going to maintain approved contribution margins, adding that their goal should be to grow the margins with innovative programming rather than just maintain them. Director Sholes responded that Lana is introducing new programs.

Commissioner Cooke stated he wants the District to keep coordinating with other organizations for events and trips. Director Curcio replied that Tammy Miller started this and Jeff Collier is continuing to do it. Director Curcio added that he will have this added to the goals.

Commissioner O'Malley commented that the Adult Center's Financial Stability goal states it will maintain memberships. He believes goals should always be to grow, not maintain. Director Curcio replied this year was one of the best years for Adult Center memberships, but he agrees the word grow should be used instead of the word maintain.

Commissioner Souder questioned a goal under Athletics which states that a program offering will be cancelled if it fails to run after two consecutive brochures. He feels that sometimes the demand may be there but the program was not promoted effectively. President Walz asked if the District is looking into lacrosse. Director Curcio responded there are discussions on hosting a spring/summer clinic for lacrosse, and possibly rugby too.

Commissioner O'Malley stated that Fitness has an unrealistic goal to increase personal training to 5%. It is currently at 1% so that would mean a 500% increase. He also asked when we are going to start letting companies paint their names on the bottom of our pools for sponsorship. Director Carbon replied that she is willing to delve into sponsorships and would love to talk to the Board about opportunities at another time. The consensus of the Board was to plan a meeting to further discuss this with Director Carbon.

Corporate Fund - Director Sholes said that as of today, the District is debt free. The elimination of the bond payment and having no capital projects budgeted in the Corporate fund allows for a \$1.75 million transfer to the Capital fund for the golf course project.

Parks and Planning Department - The change in benefits is due to an employee retiring.

Horticulture - Commissioner O'Malley asked how productive the greenhouse is. Director White responded that it saves the District some money by growing plants in there.

140 Lively Building - Commissioner O'Malley questioned if it would it be worth looking into moving to another building rather than spending \$400,000 on a facility that may be desirable property for the new Technology Park. Director Sholes responded that as of right now, nobody has approached the District with an offer, and there are no comparable buildings for sale for us to gage value. Director Curcio added that he would discuss internally with staff and present findings at another time and possible reach out to Brennan Investment Group.

President Walz inquired why Training and Development increased for 2020. Director Sholes explained that the past Director of Leisure Services did not attend the IPRA in full or NRPA conferences so the budget was increased to allow for the new Director to attend.

Police Fund - Director Sholes stated that a portion of the Security Surveillance System Project comes out of this fund.

IMRF - Director Sholes stated our rate of contribution increased to 9.46%. The reason for the increase is poor market performance in 2018 and IMRF changed their assumed rate of return. The plan is to contribute an additional \$50,000 in 2019 which leaves us approximately \$30,000 under budget.

Social Security Fund - There is a significant increase due to 27 paychecks in 2020 and from moving social security from the golf fund to this fund.

Recreation Fund - Executive Director Curcio stated in the midst of leadership changes, he sat through all the Recreation budget meetings and he thought they went well. Two things will affect the budget for 2020. First, there is an extra weekend in the summer due to Memorial Day falling as early as possible and Labor Day being falling as late as possible on the calendar. Secondly, hiring lifeguards is always a challenge. Minimum wage will affect us after 2020 so this will be an evaluation year.

Commissioner Cooke wants the Fees and Admissions summary to highlight a \$300,000 loss rather than just state a 4% decrease from the 2019 budget. Director Curcio will change the summary. He shared that he has been working with Natsuko, Aileen, Amber and the Marketing Department to formulate a marketing plan. The first quarter will be rebuilding and then the second quarter will be rolling out to new staff. Director Curcio added that the competition is not going away and the physical therapy group leaving also resulted in a big hit. Director Carbon shared that she hosted a Marketing Forum and all twenty park districts in attendance are experiencing the same issues as we are. Commissioner O'Malley wanted to know how much longer we were going to keep the room vacant before using it as fitness space. Director Curcio replied that a realtor, Johnny Christensen, has been pounding the pavement for us to help find a tenant. Commissioner Souder asked if we could modify our signage if we get someone in there. Director Carbon stated we could as long as the Commissioners are on board with it.

Garden Terrace - Commissioner Cooke asked how Garden Terrace is doing since they were given the approval to book events again. Director Curcio responded that they are starting to get a lot of bookings for next year. President Walz suggested updating the room if we continue to book events in there. Commissioner O'Malley questioned the 50% increase in supplies. Director Curcio explained that they lowered the margin on food mark-up.

Early Childhood - Commissioner Cooke asked if there was still a need to expand the Early Childhood area. Director Curcio responded that there are still waitlists but not enough to warrant expanding and they still have accreditation guidelines to follow.

Fitness Center - Commissioner Souder questioned line item "Other Merchandise". Director Sholes replied that it is for a program within the Fitness Center called MyZone, but it is on hold for now. Commissioner Souder also questioned what an Assessment Attendant is. Director Sholes said this position is a part of a restructure that is now Amber's position.

Special Recreation Fund - Director Sholes stated we are trying to spend down the fund balance on projects along with the OSLAD grant, the ADA bus and the front door replacement at the Pavilion are budgeted in this fund.

Athletics - Staff is going to do one last push for Inline this spring.

Commissioner Cooke wants to graduate to holding the athletic programs accountable for their spending. Commissioner O'Malley stated he still does not understand why the District does not host tournaments and why teams are not giving the District any of the money they profit from hosting their tournaments at our parks and facilities. He added our fields are being used by non-residents and the profit is going to non-residents. Commissioner O'Malley also questioned how much the Travelers make on hosting the MSBL tournament. After an extensive discussion on this topic, President Walz said there needs to be further discussion to address this issue in the future.

Bond & Interest Fund - The District is debt free. Director Sholes said we are anticipating \$2.5 million in capitals in 2020. This does not include debt for the golf course.

SUSPENSION OF COMMITTEE OF THE WHOLE MEETING

President Walz moved to suspend the Committee of the Whole Meeting at 7:02 p.m. until after the Regular Scheduled Board Meeting.

Commissioner Cooke seconded the motion.

Ayes: Commissioners Biedke, Cooke, O'Malley, Souder and President Walz

Nays: None

Motion Carried.

RECONVENE COMMITTEE OF THE WHOLE

Commissioner Souder moved to reconvene the Committee of the Whole meeting at 7:53 p.m.

Commissioner Cooke seconded the motion.

Ayes: Commissioners Biedke, Cooke, Souder, O'Malley and Walz

Nays: None

Motion Carried

CONTINUED DISCUSSION ON 2020 BUDGET

Commissioner O'Malley had a question about a Thorguard payment and why we are still making payments on a system we are considering removing. Director Curcio stated the payment was for the replacement of a necessary part to keep the system operational. Commissioner O'Malley asked where we are at with the recommendation. Director Curcio replied he is working with staff to present the recommendation at a January board meeting.

Commissioner Cooke asked about the Fitness Equipment Replacement Plan and if it was still necessary at that dollar amount. Director Curcio stated the plan is consistently evaluated throughout the year. This was the recommended amount but will does not necessarily mean that amount will be spent if deemed unnecessary.

Commissioner O'Malley asked about the new ADA bus and if it was adding to the fleet or if we are planning on eliminating another bus. Director Curcio said the original plan for the new ADA bus would add to the fleet. Commissioner Cooke added the new bus would be a good addition and added comfort to the seniors and people with disabilities. Director Curcio stated he will inform Fleet to evaluate current buses and consider one of them for trade-in for the new ADA bus.

Commissioner O'Malley inquired about marketing for the golf course. Director Carbon and Tom Klaas responded they were spending less on print and television and utilizing Golf Now's expertise in moving more towards digital marketing. Golf Now took over social media for Fox Run and took over the Fox Run website.

Commissioner Souder asked what the future plan for the inventory at the golf course was. Tom Klaas stated the new inventory levels will be significantly lower with the transition year and smaller pro shop in the new clubhouse.

President Walz asked if there were any rate increases planned for Fox Run in 2020. Tom Klaas responded there are no plans for a rate increase in 2020.

Commissioner O'Malley asked if there will be collaboration between the Parks department and Fox Run maintenance needs. Tom Klaas responded there is a good working relationship between departments but there are some things the golf course maintenance expertise needs to complete on their own. Tom Klaas also has identified a need for custodial services for the new facility.

Commissioner O'Malley stated the importance of the Parks Department working relationship with the Village and utilizing that relationship for equipment such as the bucket truck, when applicable.

DISCUSSION ON 2020 SALARY RANGES

Director Sholes presented his recommendation for the 2020 salary ranges. The consensus was to go with Director Sholes's recommendation of not increasing the top of the ranges for grades 9-12 based on salary ranges for similar positions at other Park Districts but increasing the bottom of the ranges on grades 1-12 by 2%.

NEW BUSINESS

Staff was asked for an update on the vacant Director of Leisure Services position. Director Curcio responded that the plan was to interview in January and hire someone in February.

ADJOURNMENT

Commissioner Biedke moved to adjourn the Committee of the Whole meeting at 9:11 p.m.

Commissioner Walz seconded the motion.

Ayes: Commissioners Biedke, Cooke, Souder, O'Malley and President Walz

Nays: None

Motion Carried.