



MINUTES OF THE SPECIAL PUBLIC MEETING

A Special Public Meeting of the Elk Grove Park District, Cook County, State of Illinois was held on December 2, 2021 in the Administration Building of the Elk Grove Park District. President Cooke called the meeting to order at 5:08 p.m. and upon the roll being called, President Cooke, being physically present at such time and place and the following Park Commissioners, also being physically or remotely present at said time and place, answered present:

Thomas E. Cooke, President, and Commissioner
Robert R. Biedke, Vice President, and Commissioner
Scott Carlson, Secretary, and Commissioner
John R. Walz, Treasurer, and Commissioner
William B. O'Malley, Commissioner

Administrative Staff:

Ben Curcio, Executive Director
Brad Sholes, Director of Business Services
Mark Kosbab, Director of Parks and Planning
Tiffany Greene, Director of Leisure Services
Kelly Carbon, Director of Marketing and Communications
Tom Klaas, General Manager - Fox Run Golf Links

Visitor: Allan Crites

DISCUSSION ON 2022 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 stated three themes will be found in the budget. CoVid-19 is still impacting some areas, minimum wage increase and the labor shortage is making it difficult to find part-time workers.

Director Sholes began the discussion with the 2022 budget summary. He further explained how staff approached the budget with more knowledge about operating during the pandemic than last year. He reiterated Director Curcio's sentiments about minimum wage and the labor shortage, along with the continuing impact of CoVid-19. He reminded everyone of the assumptions in the 2021 budget due to CoVid-19 mitigations through the 1st quarter of 2021 and to realize the effect that will have on the comparisons to the 2021 to 2022 budgets. He was confident in what staff has done and shown in 2021 with operating during the pandemic. The district continues to be in a strong financial position.

President Cooke asked if the merit increase was included in the presented budget. Director Sholes stated staff's recommended merit increase was included in the budget that was presented. Further consideration on the merit increase was held for later in the meeting.

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President Cooke also asked if an increase for health insurance was included in the budget. Director Sholes confirmed an increase was included. The increase was higher than both presented options.

Commissioner O'Malley questioned what was causing the increase in miscellaneous expenses. Director Sholes explained that expenses budgeted for the golf clubhouse for any unforeseen items that may have been overlooked after operating in the new facility.

Commissioner O'Malley inquired about the increase in program expenses. Director Sholes expressed you will also notice an increase in budgeted program revenue. That is caused by Director Greene challenging her staff to create new programs and revenue, however, like in past years not all programs run causing the discrepancies from prior years' expenses to 2022 budgeted expenses.

Director Sholes explained Public Act 102-0519 became law and how it will increase the district's tax levy to account for property tax refund amounts in the prior year. The district's amount is approximately \$290,000.

Goals - Commissioner O'Malley asked about the discounting of student memberships at the Fitness Center that were already a low rate to begin with.

Commissioner O'Malley asked if the athletics advisory board purchases were included in the audits conducted by the finance department. Director Sholes explained their purchases were included and reviewed the same, if not more, because of the number of people that review and approve their purchases.

Commissioner Walz expressed interest in pursuing ESports. Director Greene said ESports are included again in the expanded programming in 2022.

President Cooke would like to see a goal of exploring adding or expanding electric vehicles into our fleet. Director Kosbab agreed he would explore electric vehicles and hybrids, as well as expand on small engine electric equipment the district already has in place.

Corporate Fund - Director Sholes gave a brief overview of the Corporate Fund summary.

Director Carbon explained the challenges Marketing is experiencing in the Corporate Fund and Recreation Fund.

Director Kosbab discussed the difficulty the parks department has had in finding part-time staff over the past couple of years with 2021 being one of the most difficult. The 2022 budget reflects an increase in contractual services to allow the parks department to continue to maintain the parks and facilities at a high level to offset the decrease in part-time and seasonal help. Inflation and supply chain shortages have also affected supply costs which are increasing.

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Commissioner O'Malley inquired about the budget for deferred compensation and how it compares to other districts. Director Sholes stated the amount of match is 15% of contribution, but he didn't have data on how that compares to other districts. Consensus was to leave the budgeted amount in the 2022 budget and staff would collect information to present to the board for further consideration.

Commissioner O'Malley also pointed out the Wellness Team and Recognition Team budgets were also increasing in 2022.

Golf Fund - General Manager Tom Klaas gave an overview of 2021 and while they operated out of a temporary clubhouse, the effects of CoVid-19 continued to have a positive impact on play and demand throughout 2021. He explained that it was difficult to project 2021. While the temporary clubhouse did a great job maintaining beverage services, the food service was impacted. The hope is the course can build on and retain the momentum of 2021 with the opening of the new clubhouse and maintenance facility, but budgeted cautiously using an average of the past three years to budget 2022.

President Cooke questioned how we budgeted less net revenue in 2022 than in 2021 with the opening of the new clubhouse. Director Sholes explained staff budgeted more net revenue than we budgeted in 2021 but remained cautious with our budget for 2022. This was caused mainly by the decrease in golf revenue budgeted in 2022 versus 2021 golf revenue projections.

Director Sholes pointed out that the areas of Bar and Grill were combined in the 2022 budget to accommodate the new operations in the new facility.

Commissioner O'Malley inquired about the increase in the amount budgeted for rentals. Director Sholes stated that was caused by our new food and beverage manager maintaining and serving the food for those parties. Commissioner O'Malley wanted to confirm the course wouldn't price ourselves out of competition for the business.

Commissioner O'Malley asked what was included in the tournament expense line item. General Manager Klaas explained those were expenses for our course run tournaments such as the Turkey Shootout and Club Championship.

Commissioner O'Malley inquired about the plan moving forward with marking the new clubhouse. Director Carbon and General Manager Klaas explained the marketing plan for the first couple of months for the new clubhouse.

Police Fund - Commissioner O'Malley asked what the district is doing to attract security workers. Director Greene explained the steps they have taken and continue to follow to retain and recruit security workers.

IMRF Fund - Director Sholes stated he budgeted funds to make an additional payment to IMRF. The amount proposed is larger than the budgeted amount because of less IMRF positions and staff openings in 2021. Consensus was to make an additional IMRF funding payment in the amount of \$100,000.

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Recreation Fund - Director Greene gave her summary of the recreation budget. She discussed challenges finding part-time staff and the impact of minimum wage. Overall the recreation department has found ways to operate throughout CoVid-19, however, some areas continue to be impacted more than others.

President Cooke requested a note be added to reference the decrease in property tax from the prior year due to CoVid-19 in 2020.

Commissioner O'Malley inquired about any fee increases in 2022. Director Greene explained there were program increases included for some programs in the budget, but no facility fee increases for 2022. Director Greene said staff is always evaluating their fee structure to stay competitive but keep affordability. They expect some increases in 2023. Director Curcio stated those would be presented in late summer of 2022.

Commissioner O'Malley challenged staff regarding the Pavilion Aquatics Center. The annual loss continues to increase and he would like to have that amount stabilized. Director Green said CoVid-19 mitigations did impact this area. Director Curcio explained expanded programming is the key to increasing revenue.

Commissioner O'Malley referenced the break even budget for the fitness center. Director Curcio stated that included staffing a fitness center manager.

Commissioners requested a notation be added regarding the salary allocation changes to Garden Terrace in conjunction with the changes in the Rental area.

Commissioner Walz asked about the increase in revenue in the athletics area. Director Greene explained that was due to sports camp moving under athletics from camps.

Athletics Fund - Commissioner O'Malley asked about tournaments run by travel baseball and how the revenue is distributed.

DISCUSSION ON 2022 HEALTH INSURANCE RATES

Staff explained how the district has done well in medical renewal rates in the recent past with minimal increase, however the renewal rate for 2022 was a significant increase. Health insurance saw a 31.2% increase. Dental, vision and life rates saw no increase. Staff presented options to lower the renewal rate. Option 1 lowered the increase to 21.91% by changing the prescription drug tiers. Option 2 reduced the increase to 18.69 by increasing deductibles and making changes to prescription drug tiers. Consensus was to proceed with option 2.

DISCUSSION ON 2022 SALARY RANGES

Executive Director Curcio presented his recommendation for the 2022 salary ranges. The consensus was to move forward with Executive Director Curcio's recommendation and increase the bottom and top of the salary ranges by 1.9%.

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DISCUSSION ON 2022 MERIT INCREASES

Executive Director Curcio presented his recommendation for the 2022 merit pool. The consensus was to move forward with a total increase pool, to include merit, of 4.9% to be used at the Executive Director’s discretion.

BINA HEARING

President Cooke stated, “As President of the board, I am calling for a BINA hearing under executive order to be held on January 13, 2022 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”.

ADJOURNMENT

Commissioner Carlson moved to adjourn the Special Public Meeting of December 2, 2021.

Commissioner O’Malley seconded the motion.

<u>Roll Call Vote</u>	<u>Ayes</u>	<u>Nays</u>	<u>Abstain</u>
Commissioner Biedke	X		
Commissioner Carlson	X		
Commissioner Walz	X		
Commissioner O’Malley	X		
President Cooke	X		

Motion carried.

The Regular Meeting of December 2, 2021 was adjourned at 10:46 p.m.

Respectfully submitted,

Scott Carlson, Secretary