

**BOARD MINUTES**  
**February 13, 2017**

The regular monthly Board Meeting of the Board of Commissioners was called at 7:01 p.m. on February 13, 2017 at the Cynthia Neal Center, 8047 W. 91<sup>ST</sup> Place, Hickory Hills, Illinois.

The following commissioners were present: Guisto, Jerantowski, Kosnick, Morgan, Peterson.

Also present were: Jennifer Fullerton, Executive Director, Dan Maier, Recreation Director, Jim Murphy, Maintenance Director.

**APPROVAL OF MINUTES**

Commissioner Kosnick moved, seconded by Commissioner Jerantowski, to approve minutes January 9, 2017. Ayes: Guisto, Jerantowski, Kosnick, Morgan, Peterson. Motion approved.

**SECRETARY’S REPORT**

Commissioners received a PDRMA Health in Action January newsletter, Openlands Fall/Winter newsletter, business cards, commissioner cards from IAPD and the dance fundraiser.

**PUBLIC COMMENT**

Nothing to report.

**MAINTENANCE REPORT**

The area by Krueger Park’s front desk is always cold during the winter months. To make the working conditions better Doornbos installed a thermostatically controlled ceiling radiant heater above that area. The cost for the necessary wiring and heater was \$1,950. Dave Trudeau was hired to fill the full time maintenance position. At the conference Jim Murphy attended one class: What’s buzzing and ticking in your parks. It covered mosquito-borne diseases and Lyme disease. The trade show was very good with many vendors. Mr. Murphy spoke with Most Dependable Fountains and he thought at the time they were the vendor for our drinking fountain at Kasey Meadow Park. It is new and the paint failed and peeled in several areas on the fountain. At this time we are investigating who is the vendor. As a part of the district’s master plan, we would like to replace the 100 gallon energy efficient hot water heater this year at Krueger Park. The hot water heater is original to the building from 1984. To do this, the building will have to be closed, since the water will be shut off. A possible date to do this would be April 14 (Good Friday). A budget price to replace the hot water heater is \$11,143 and we will ask for Board approval in March. Next summer in August 2018 we would like to replace the HVAC at Krueger Park which is for activity rooms A&B, the gym bathrooms, and the shower rooms. The budget price \$48,860. Also, to replace the two existing roof top units for the gym is a budget price \$31,300. Mr. Murphy said the hot water heater alone is \$8,000 plus labor. Commissioner Morgan asked if there is a savings for a tankless hot water heater. Mr. Murphy said the vendor didn’t suggest it but he will ask. The maintenance department has been working on the district’s equipment for the upcoming season. Everything is on schedule to be completed for spring.

As we prepare to make a decision regarding the replacement of Krueger Park’s gym floor, Jim Murphy put this info together:

Rubber Floor	Modular Flooring
No threshold needed by main gym door	½ inch threshold will be needed by main gym door
Lasted 20 years	Oldest floor we saw was 5 years old-Warranty 15 yr.
Weight loads have not been a problem	Must put plywood under heavy equipment

Resurfacing rubber floor will smell	Minimal smell – from painting lines on court
Stains/repairs stand out	Tiles can be replaced by Maintenance department
Scrubbing floor	Same
Basketball bounce – consistent sound	Has a different sound
Looks/appearance – new rubber will look better than now	Looks better (in my opinion)
Pop/water spills – easy clean up	Will have to take up tiles – more maintenance
Programs – run all the same programs	Same
Cost \$60,400 (this is a budget number from 2012)	Cost budget \$71,200 Jan. 31, 2017

Jim Murphy spoke with Stalker Floors about installing a wood floor at Krueger Park and the cost of installing a wood floor at Krueger Park would be \$120,000 budget price. Installation time 4-6 weeks. Modular floor is one week. The floor would be raised by two inches. The wood floor most likely could be installed over the rubber floor. Annually, the wood floor would have to be re-coated and would cost thousands of dollars and we would have to close the entire building for a week. Chicago Ridge Park District's rubber floor was installed by Martin Surfacing one year prior to Krueger Park's rubber floor. Martin Surfacing did Krueger Park's also. Chicago Ridge looked into many types of floors for their gym and decided to stick with the rubber since it lasts so long. They resurfaced their rubber floor three years ago. They shut down their building for one week because of the smell. There are a couple of seams still showing. Director Fullerton will prepare the bid documents for the modular floor and we should be coming back to the Board in March or April for the bid approval. This is a capital item. The Santa sleigh was re-painted and stored until next season. Krueger Park's inner lobby doors were re-painted.

### **RECREATION REPORT**

We have been paying \$116 for a case of wipes with 900 wipes per roll from ERC. Dan Maier said he talked to a couple of vendors at conference and will probably be able to save some money on future purchases. One company has a case of 800 wipes per roll at \$70 per case. We would get 400 less wipes but would save \$46 on a case. We are paying 3.2 cents per wipe and we will get these wipes in the future for 2.1 cents per wipe. We just ordered a case of wipes from ERC and they charged us under \$70 for the case with free shipping.

Director Fullerton included the carnival agreement for All Around Amusements in the Board packet and we have penciled in our first carnival for May 11-14, 2017 because they have no other dates in 2017. Mr. Maier presented the details at a City council meeting and they didn't have any issues and there will be no permit cost. He also spoke with Chief Vodicka from the Police Department and we will hire and pay for an auxiliary officer to be on-site for the entire carnival and there will be other officers that will drive by at times during the carnival when they can. Larry Boettcher approved access to water during the carnival and will bill the park for water if there is excess usage. The price is \$10 for 1,000 gallons. Our expenses will be Port-a-Jon's/Washing Stations, Police Staff (Auxiliary's), Water, Advertisements (signs, paper, etc.), permits (pending), reseed Kasey Meadow after the event, and a building supervisor at the Cynthia Neal Center each day and evening. Total expenses should not exceed \$5,000. All Around Amusements will give us a minimum of \$5,000 and 40% of gross receipts. Also, the park district will receive 50 complimentary Mega wristbands valued at \$50. Daily rides will be 1 ticket for \$1.25 and other multi-ticket discounts. Mr. Maier said we can get sponsors and also give them some Mega passes. Hours will be Thursday, May 11 5-10pm, Friday, May 12, 3-5pm for special needs to attend for free and 5-11pm for general admission, Saturday, May 13 Noon -11pm and Sunday, May 14 Noon-10pm. The executive director, recreation director and recreation assistant will be on-site on Thursday and then each day one of these employees will be on-site Friday to Sunday. There is no need for maintenance staff however we have to provide access to our 20 yard dumpster. We will get some posters from the carnival vendor and also distribute flyers, put a message on our marquees, an ad in the newspaper and put up some 4x4 signs throughout the parks. The City will also allow us to put it on their marquee and we will ask First Midwest

Bank to distribute flyers at the teller window. We will receive a certificate of insurance from the carnival vendor and they will send background checks to the police but not to us because of social security numbers. We will not have concessions since the carnival vendor will provide that. Director Fullerton said the agreement was provided from PDRMA and the few changes from the carnival vendor were also reviewed by PDRMA's attorney. Mr. Maier said we will not have alcohol and some carnivals don't have it. Director Fullerton spoke with Romeoville Recreation Department and they have been using this carnival company for over 20 years and they are very professional with no issues. Mr. Maier said the carnival vendor said they have never had an accident. This will be a medium carnival with approximately 15-18 rides. Commissioners agreed to the carnival.

Sue Hicks has returned to teach Easy Does It. She was off due to a family illness.

We currently have 87 people going on the Myrtle Beach trip with two buses going on the trip.

We have had to make some repairs on our fitness equipment the past couple of weeks. The Hydro Massage was not heating up the water quickly so the company shipped us a part and it is working fine now and was under warranty. The long pull machine needed to be fixed because the screw was stripped in the center and our maintenance staff fixed it. The vertical bench press cable snapped and was replaced. These old strength pieces are going to have to be replaced slowly each year. Maybe two pieces will be replaced each year due to the age of the pieces and there are limitations on getting parts for these pieces that break down.

The VIP party on Saturday, February 11<sup>th</sup> went fine. We provided pizza and sub sandwiches at Krueger Park at 1pm and then went to Four Winds at 2:15pm. We had to take two buses on this trip because our numbers were in the 70's and about 90 people enjoyed lunch at Krueger Park. We are getting eggs with no candy this year for the Egg Hunt. One thousand eggs will only cost \$65 compared to filled eggs for \$120. We will buy candy and insert better quality candy in the eggs for the hunt.

### **TREASURER'S REPORT**

Commissioner Jerantowski moved, second by Commissioner Peterson to approve Claim Ordinance 739. Ayes: Guisto, Jerantowski, Kosnick, Morgan, Peterson. Motion approved. The Invoice/Memo report was included in the board packet for a further explanation of the check register. Commissioner Morgan made note of the Investment Report January 31, 2017. Director Fullerton said there was no change in CD's. Commissioner Jerantowski moved, seconded by Commissioner Guisto approve the Operating Statement for January 31, 2017. Ayes: Guisto, Jerantowski, Kosnick, Morgan, Peterson.

### **DIRECTOR'S REPORT**

Construction is on hold at Kasey Meadow Park and will resume in the spring.

#### **Chase Credit Card:**

We were approved for the Chase business credit card for \$10,000. We will hold onto the Standard Bank credit card for purchases over \$10,000, since the limit is \$20,000. Chase reviewed our financial statements and that is how they determined the amount.

#### **Dump Truck Bid:**

The bid for the dump truck was included in the Board packet. The specs were written with input from Hawk Ford and our attorney David Freeman proofed them and made changes. The bid will be sent to several Ford dealerships in the Chicagoland area and will be placed in the newspaper. The bids will be due on March 13 at 11am and bid prices will be presented that evening to the commissioners for approval.

**Krueger Park Gym Floor:**

Director Fullerton, Mr. Murphy and Mr. Maier went to Hanover Park Park District, Oak Lawn Park District, Trinity School in Elmhurst and Moraine Valley Church to view their modular gym floor. The oldest floor was five years old at Hanover Park and went over an existing rubber floor and Oak Lawn replaced their Sport Court modular floor from 20 years ago with this floor which is very similar to what they had. All of the floors looked new even if it was five years old. If you have a stain that you can't get out, you can take out a tile and replace it with another one. Also, the tiles will not pop out while bouncing a basketball on the floor so they are hooked together very well. Since the floor goes over our existing floor we will have to have transition strips from the hallway and bathroom to the gym and some doors will have to be cut down. The floor looks like wood however it is a modular floor with four coats of polypropylene. It never has to be sanded and is easy to take care of. You just use a floor mop or our floor machine and it keeps it shiny. The three of us liked the floor and some of the commissioners saw it at conference however a sample was passed around to the commissioners. There are cheaper versions of a modular floor however they only have one coat of polypropylene on them. Currently, we are writing the specs so we can go out for bid in March or April. The new floor will be put in August 21 and we will be closing the KP gym for two weeks. It will take one week to put in the floor and to paint it so we most likely won't need two weeks and can open earlier if necessary. Commissioners agreed to move forward with the modular floor bid specs.

**2016 Vandalism Report:**

There was a decrease in the number of vandalism incidents compared to previous years. One of the incidents was at Krueger Park which a large amount of vandalism for a total of \$8,400 so the total cost of vandalism was much higher than previous years.

The following are vandalism totals for the last five years:

2016- 3  
2015 – 8  
2014 – 4  
2013 – 24  
2012 – 16  
2011 – 27  
2010 – 10

**2016 Fuel Purchase Report:**

Fuel purchased for our vehicles decreased by 21% from 2015 to 2016 which is \$1,048 less than last year and gallons used increased by 27 gallons. 2016 – 2681 gallons, \$5,102 (average price per gallon \$1.90) and 2015 – 2654 gallons, \$6,149 (average price per gallon \$2.45)

**2016 Pepsi Concessions Report:**

The Pepsi commission for 2016 was \$10,987 and 2015 was \$9,725. The profit/net revenue in 2016 was \$4,547 and 2015 was \$4,001. In 2016, we purchased 265 cases and 260 cases in 2015. The new contract began in June 2015 for a volume threshold of 1,500 cases (300 cases per year). We don't purchase 300 cases but that is the lowest Pepsi would go with continuing to give us our annual marketing check which is \$1,000.

**Splash Pad 2016 Bottom Line Report:**

This was the first year for the new Splash Pad even though we re-poured the concrete surface after it was closed. Here is a recap of four years of the splash pad for gross revenue: \$11,191 for 2016, Closed 2015, \$8,726 in 2014 and \$8,667 in 2013. The bottom line for 2016 is -\$27,614, 2014 was \$-3,467 and 2013 was \$-6,049. A negative amount is always shown due to the allocation of capital items. Number of passes for 2016 was 171, 2014 was 138 and 2013 was 188. Walk-in daily admission revenue was \$8,209 in 2016, \$6,711 in 2014 and \$6,323 in 2013. The revenue for rentals was \$525 and \$850 in 2014. Instructor pay was \$3,743 for 2016 and

very comparable to 2014 at \$3,764. The water bill was \$474 more compared to 2014 because we had to do the wet cure process on the pad after the pad closed for the new concrete. The water expense for 2016 was \$2,122 and the water in 2014 was \$1,648 and 2013 was \$1,725. Portable toilet was more because we put in a handicapped toilet rather than the single toilet which is located down by the skate park and garage. In the spring of 2017, we will reconnect the features and run the pad earlier than usual to make sure there are no mechanical issues since the concrete surface was torn up and re-poured in September 2016.

### **Seminars/Conferences:**

The following are the session notes for the Illinois Park and Recreation Conference.

### Solving Your Accelerated Payment Issue:

This was on the benefits of using VEBA (Voluntary Employee Benefit Association Plans) and the 115 Trust. The speaker was from the Illinois Public Pension Board and said many park district have these plans. We don't at our park district. The VEBA plan is pre-tax and basically puts sick time dollars into a health saving account. It is a benefit to employees especially when encouraging them to retire because they would have some money in a retirement saving account that they can use until they receive Medicare. You can structure it so it is a benefit to department heads, management or to all employees. Most districts offer this instead of paying sick time and some have both. Currently, we have all of our sick time going into service credits into IMRF. So, when we retire our sick days are not paid out but added to service credit up to 240 days. All employees here have told me they can't retire because they wouldn't have any health insurance and most don't retire until age 60 because our pension is low until that age. It can cost between \$1,400 to \$1,700 a month for a husband and wife and for a single person it is approximately \$800 per month. Hickory Hills public works employees have a VEBA plan and many of them have said they saved enough to pay for health insurance until Medicare begins. The money in VEBA can also pay for health expenses while you are working for yourself and your dependents, any co-pays for doctor visits, pay for the deductible, etc. Some of us have had surgeries and even with our health insurance you can pay \$800 to \$3,000 out of your pocket. You can structure it so only some of the sick times go into VEBA and some into IMRF service credits. At HHPD, a nice option would be to put three of the six sick days into VEBA and three days into IMRF service credit. If we offered it to our employees, it would have to be budgeted next year. It wouldn't be much of a benefit to someone who retires in the next few years because it would be just a few dollars in VEBA but it would benefit future employees. Everyone has to participate in it so if it is offered to only department heads, then all department heads have to participate or it can be for all employees, then everyone has to participate. It would help the preschool teachers because we don't pay for their health insurance. Director Fullerton said she has been told that the park district had to pay for a lot of sick time from a person who retired previously. If it was just IMRF employees and three days were paid into this plan it would be approximately \$6,000. You would take the sick time and pay it into VEBA whether it is a credit card or an account that you can use but some of the details need to be investigated. We have been fortunate with our recreation revenue where we have increased it every year. Most of us won't retire until 60 because of this reason. You would be able to have staff retire earlier so you don't have to pay them as much. This would help until you are Medicare eligible until 67 years old. Commissioners corrected her that Medicare would start at age 65 years old. Director Fullerton said it is social security that doesn't start until age 67 for the year she was born. Commissioner Peterson said you can get Social Security at age 62 at a reduced rate. Director Fullerton said it would be a reduced rate. Commissioner Morgan asked if this VEBA, it is not like the other health plans where you don't use it, it is gone. This gets to build up. Director Fullerton said it is not that. Commissioner Peterson said you went to a high deductible plan this year. Director Fullerton said we went to a \$1,500 deductible and the park district pays the difference of \$1,000 to \$1,500. Commissioner Peterson asked aren't you eligible for a health saving account? Director Fullerton said no we don't have a health saving account through PDRMA but she will ask them about it. Commissioner Guisto said she has a high deductible plan and put's so much money in a health savings account and it is a card. Commissioner Morgan said if you don't use it at the end of the year it is still there. Commissioner Guisto said yes. Commissioner Peterson said his deductible is \$3,500 per person. Commissioner Guisto said hers is \$2,500 for both of us but my husband's company pays half of that and his

employer doesn't put anything into their HSA and I put it in tax free. Commissioner Morgan asked what if they use one and there is only five left and then what would go to IMRF and the rest in VEBA. Director Fullerton said she doesn't know the details other than what she heard. Would the commissioners be interested in hearing more details about this? Commissioners said yes. Commissioner Peterson said why does it cost more money if you are paying the sick days and putting in to the other plan. Director Fullerton said because currently we get six sick days and if we don't take them it goes into IMRF service so there is no exchange of money just credit and the credit only applies for retirees. The maximum is 240 days and we don't write a check to IMRF. Commissioner Morgan said when she retired instead of retiring with 30 years; it was 32 or something like that. You get more money if you retire later for the extra service. Our days are different because it is approximately 170-175 days. At some point there is no benefit to keep on working. Director Fullerton said the teacher pensions are different than ours. So, from 59 ½ to 60 years old was a big benefit but it also depends on years of service. The cap for us is 240 days so it will never be more than that. If over 240 days, you lose that sick time.

Other sessions were Turmoil to Stability that happened at Plainfield Park District, Best Practices of Robert's Rules and New FLSA (Fair Labor Standards Act) and How it Affects Your Agency. During the FLSA rules they covered the \$47,000 that is now on hold and also talked about giving compensation time to salaried employees working special events and evening and weekend events and not to work salaried employees seven days with no rest. We recently had an employee who worked seven days in a row for an event. She has given staff comp days at times when they work at least one or two full days over their 80 hours in two weeks for special events and she would like to do this more often and for all special events. The vendors she met at conference were helpful. She gathered information on financial software since we will have to replace Vermont's FinTrac in 2019. There was a company called Tyler Software that our accountant is using at Olympia Fields Park district. She tried QuickBooks and it was not good for government fund accounting. We looked at gym floors, new playground equipment and a reduced rate for the fitness center membership cards.

#### **Miscellaneous:**

The December fitness center and walking track report was included in the board packet. Krueger Park Recreation Center was without power on January 31 from 10am-2:20pm. They had to replace a line that the buses were hitting across the street at Glen Oaks School. There weren't any programs canceled however we had to turn away fitness and walking track members.

Mr. Maier said a lady hit one of our light poles in the parking lot. There was no damage to the pole however her car had some damage to her car. Also, last Monday, a 25 year old male was playing basketball at Krueger Park Recreation Center and brought some other people that were not 21 so the facility manager said they couldn't play. They left and then the 25 year old came back at 10:15pm and was pounding on the front door and said he left his keys in the building. She told him he couldn't enter the building because we were closed and she called the police. The police came and his keys were not here. The police told them to leave. She went back to cleaning the building for about 10 minutes and he came back looking inside the building with another guy so she called the police again and by the time the police arrived, they had left. We will have other staff working on Mondays.

#### **Election:**

The order the commissioners filed for the election was Commissioners Jerantowski, Kosnick, Peterson and Morgan however the order has been changed on the ballot. The Cook County Election department sent a proof and it had Commissioner Peterson listed last because it is a two year term and Colleen Gleason from Cook County Elections said that is how they list it.

#### **Transfer of Funds:**

Last year we budgeted for a portion of the IMRF, FICA, Audit, Worker's Compensation, Insurance and Police special funds in the Corporate and Recreation funds. You don't have to approve an ordinance this year to

transfer funds however the following breakdown will show you the comparison from last year to this year. There is still a little catching up with some of the negative fund balances from last year in the special funds but it is minimal so that is why the special funds will be \$2,000 higher than last year.

Here are the transfers by year:

	<u>2015/2016</u>	<u>2016/2017</u>
IMRF	\$82,000	\$76,000
FICA	52,000	56,000
AUDIT	6,000	8,000
WORKER'S COMPENSATION	12,000	12,000
INSURANCE	21,000	23,000
POLICE	0	0
Total	173,000	175,000

There will be \$58,000 transferred from the corporate fund which is the same as last year and \$117,000 from recreation fund which is \$2,000 more than last year. The additional \$2,000 is to take care of some small fund balances which are as follows: IMRF -\$1,669, FICA - \$3,362, Audit -\$1,125, Insurance - \$3,359 and Worker's Compensation -\$1,154.

**2017-2018 Working Budget:**

The working budget and budget ordinance was included in the board and the following is the highlights. The following is a summary of the most significant additions and changes to the 2017-2018 budget. Property tax budget revenue is based on the tax levy of 18.68% which is always higher than what we expect to receive. There are several line items in both the corporate and recreation budget for a transfer of funds. Last year was the first year the special funds were budgeted to the corporate and recreation fund. These special funds include Security/Police, IMRF, FICA/Medicare, Audit, Insurance, Worker's Compensation and Unemployment. New this year, a special recreation fund was added and the district will begin interviewing special recreation associations as soon as the tax distributions come in for that fund. The tax distributions haven't covered the expenses in these special funds for years so the district has to prepare to fund them through revenue generated from programs, events and activities as well as keeping expenses down. On July 1, 2017, Cook County will be raising the minimum wage to \$10 per hour as well as the City of Chicago last year raising the minimum to \$10. In order to remain competitive it is suggested to raise all employees to \$10 per hour except for the building supervisors and splash pad employees based on their duties. Also, all employees need to be raised especially since so many of them receive an hourly rate close to a little more than \$10. This is one of the largest increases in front line employees however it is necessary. We have experienced a huge turnover in maintenance the past several years and also front desk employees that open at 5:45am and stay until 10pm. Fortunately, the district's financial position continues to be solid. The three directors are planning on retiring within seven years and could be as earlier as one year so we must start looking at training existing staff to move up to higher level positions and hiring additional full time employees and it is recommended to move up the recreation assistant to the recreation director position. Commissioner Kosnick asked if the staff working from 5:45a.m. to 10:00p.m., are they there the entire time. Director Fullerton said they work from 5:45am to 9am and then 5pm to 10:00pm and no they are not there the entire time. Commissioner Guisto asked if the recreation assistant has any college experience. Director Fullerton said the recreation assistant has a bachelor's in business. Commissioners asked if it was a four year college degree. Director Fullerton said yes a four year bachelor's degree. Commissioner Guisto asked if he started part time and is now full time. Director Fullerton said yes.

**Corporate Budget**

Revenue

Total income has increased slightly in the corporate fund from property taxes and rentals. Interest on investments started increasing in November 2016 so hopefully the trend will continue. The budgeted amount

for property taxes increased of 2.5% (\$450,345 to \$462,000) for the 2015 to 2016 and this is based on the tax levy ordinance passed in November 2016. You will see a very slight increase in tax distributions across all funds. It is essential that the recreation program revenue support the district because the tax distributions only support a portion of our total funds and is usually 30%.

### Expense

The majority of the corporate fund line items have remained the same other than salaries, contractual services, facility cleaning and health insurance. Employee raises are based on performance and what the industry is paying. There were salary ranges in the Board packet for our top four positions compared to other districts in the Public Salary survey and all full time positions in the South Suburban Salary Survey. Minimum wage still remains at \$8.25 for Illinois and \$10 for the City of Chicago and Cook County in a few months. There have been some changes in positions. Two positions in maintenance were combined into a 32 hour per work week with retirement benefits. Also, the morning CN secretary left last year and the two secretary positions were combined into a full time position with benefits. This was a good time to offer health insurance since health insurance rates were not increased in 2017. Contractual services were increased by \$2,000 to pay for heating and cooling repairs and maintenance. Cleaning was increased \$5,000 to pay for the change in cleaning the CN Center internally to outsourcing. The interfund transfer budgeted amount is \$33,000 for the FICA and Audit funds.

### **Recreation Budget**

#### Revenue

There was an increase in property taxes in the recreation fund to reflect the tax levy (\$388,403 to \$410,567). Great America tickets have been right around \$13,000 in ticket sales so that is how it was budgeted for revenue and expenses. We make 50 cents per ticket sold. Commissioner Peterson asked if it worth our time to sell them. Director Fullerton said yes it is not that much work at all. Contractual fees were decreased from \$96,000 to \$92,500 since we have seen a decline in all contractual revenue. Program revenue was increased from \$217,000 to \$237,000 and previous to that year was \$183,000 (15/16). Program revenue keeps increasing significantly in the after school program, camp and various other programs such as music and leagues for youths. Preschool revenue has increased significantly in 16/17 from \$56,000 to \$61,000 and preschool salaries increased by \$4,000. We offered an After Care program in 16/17 for children that attended preschool and kindergarten at the school and they take a school bus to the CN Center from 11:30am and stay until 3:15am and next year we are looking at extended it to 4:15pm. This program had five children a week for a fee of \$80 a week in 16/17 and will continue to be offered. Both teachers were working a full day in 16/17. We are continuing to offer mini school, half year preschool and have recruited participants three years and under to attend preschool on a trail bases. The fitness center budget decreased from \$76,000 to \$68,500. The center is still losing over 100 members per year for the last several years and today we are at approximately 500 members and we first opened we were at approximately 800. Commissioner Peterson asked if the Library signed up. Director Fullerton said no because they wanted it for all employees including part time and we only offer it to full time. The HydroMassage was purchased and currently has approximately 15 members for a three month membership and a steady daily following. There will be a replacement of one or two strength pieces in this fiscal year. Splash Pad revenue increased from \$7,000 to \$10,000. Even though the new pad had a soft opening the revenue generated was \$11,000. We are researching opening the pad with just a half hour break and moving the closing time to 6:30pm instead of 6pm so that will generate additional revenue since the daily admission will be \$5 instead of \$4 and \$3. Resident passes will increase from \$15 to \$20 when you purchase prior to June 1 and \$25 if purchased after that date. Special event revenue and expenses was increased \$1,000. The Fall Festival in September brought in higher revenues and better weather compared to Pumpkin Fest in early October. Trip revenue increased from \$53,000 to \$56,000. The revenue in 16/17 is much higher with two buses going to Myrtle Beach. Trip expenses were increased by \$3,000 since there are more participants taking trips. Senior program revenue has been increasing each year so the revenue was brought up to \$18,000 compared to \$16,500 in the previous year and expenses were increased by \$400. The dance program has remained the same and

expenses increased due to the fundraisers. Dance costume revenue and expenses were decreased \$2,000 because there was a slight decrease in the amount of students. Donations were decreased \$500 because we are unsure if First Midwest Bank will sponsor our events like Standard Bank was doing. The recreation department increased several other sponsorship programs this year bringing in additional revenue for special events. Recreation revenue for all programs went from \$1,086,303 to \$1,128,467.

### Expense

Contractual programs were decreased by \$3,000 due to lower attendance at various programs. The utilities and phone service remain stable and under budget with negotiations with suppliers. WiFi was added to various rooms at both recreation centers. Commissioner Jerantowski asked if more people are using it. Director Fullerton said no but not everyone knows about it because it is not advertised yet. The fitness/track expense was increased \$1,000 so we can continue to replace some older pieces of fitness equipment. There was no increase in employee health insurance premiums however a new full time secretary position was budgeted which will cost \$11,000 so both corporate and recreation budgets were increased. The recreation personnel budget was increased significantly from \$103,000 to \$111,500. Additional staff for After School, Camp and various other programs is needed due to an increase in enrollment. Maintenance salaries increased by \$2,000 and Facility Managers by \$1,500. That is a small increase compared to the increase in some of their hourly percentages. The transfer of special funds expenses has increased due to a lack of tax distributions. Recreation expenses went from \$1,100,400 to \$1,143,650 with a net loss of \$14,000 to \$15,000.

### **Special Funds**

The bond fund revenue has been increased to reflect the tax levy amount and the Build America Bond proceeds. Bond payments are for the 2010 bond from Bank of New York Mellon and the 2016 bond from Byline Bank and increased to the maximum amount to \$372,000. Commissioner Morgan asked how it is working with them. Director Fullerton said since the bond has been approved, we don't have to work with them anymore other the three or four payments we have to pay. The Security Fund remained the same however we expect an increase in the hourly rate of the auxiliary officers from \$22 to \$23 per hour. There is no increase in IMRF. Some of the revenue to offset the expenses in the IMRF fund will come from the annual transfer from the corporate and recreation funds. The IMRF rate is 13.41% in 2017 and 14.94% in 2016. Employees pay 4.5% and the district pays the rest. FICA increased by \$1,000 and was based on total salaries budgeted. The audit increased by \$250. This is based on a three year contract with a five year option with Knutte & Associates and will increase \$250 each year. The insurance budget increased \$500 and worker's compensation remained the same. These are based on the fees we receive from PDRMA.

Capital projects for 2017-2018 have been updated. The OSLAD Kasey Meadow Project has been budgeted for the remainder of the project. There will be a transfer of funds from the recreation fund to pay for any amount over the amount received from the Standard Bank bond and the OSLAD grant proceeds. Other items to be purchased under capital are the following: paint the Krueger Park stairway to the walking track and Activity Room A & B, purchase a dump truck, a trailer, replace the Krueger Park gym floor, purchase a scoreboard, replace two strength pieces in the fitness center, replace the district's phone system, replace floor runners at the CN Center, begin planning stages for renovating Prairie View and Memorial Parks, bid projects for HVAC and a hot water heater at Krueger Park, backstops and sideline fences for various parks and various seal coating projects. Commissioner Peterson asked why is the long distance budget \$6,000. Director Fullerton said it is all of our phone bills, our copier/fax machines, not just long distance. DSL is separate from that. That budget was named long distance about 20 years ago however in order to change it to phone, you have to create a new budget line item and then the history goes away. We have a lot of phones and they are at all four buildings.

A special recreation was created with the district asking for \$130,000 in the tax levy.

Commissioner Guisto moved, seconded by Commissioner Jerantowski, to convene to closed session at 9:40p.m. to discuss agenda item listed as: 2(C)(1) DISCUSSION OF APPOINTMENT, COMPENSATION, DISCIPLINE, PERFORMANCE, OR DISMISSAL OF SPECIFIC EMPLOYEE OF THE DISTRICT, INCLUDING HEARING TESTIMONY ON A COMPLAINT LODGED AGAINST AN EMPLOYEE TO DETERMINE ITS VALIDITY. Ayes: Guisto, Jerantowski, Kosnick, Morgan, Peterson. Motion approved. The commissioners came out of closed session at 10:31pm and resumed to the regular meeting.

Commissioner Morgan stated the Board went into Closed Session for the purpose of consideration of pay raises for every single employee for 2017/2018. Commissioner Jerantowski moved, seconded by Commissioner Guisto, to approve raises as presented by the department heads and the four department heads will receive a 3.25% raise. Ayes: Guisto, Jerantowski, Kosnick, Morgan, Peterson. Motion approved.

Commissioner Kosnick moved, seconded by Commissioner Jerantowski, to approve the working budget and raises as presented. Ayes: Guisto, Jerantowski, Kosnick, Morgan, Peterson. Motion approved.

The February 20, 2017 Special Meeting will be canceled because it is not needed.

Commissioner Jerantowski moved, second by Commissioner Guisto to adjourn to the next regular board meeting. Ayes: Guisto, Jerantowski, Kosnick, Morgan, Peterson. Motion approved.

The meeting was adjourned at 10:35p.m.

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**Secretary**

**ATTEST:**

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**President**