

Niles Park District
Minutes of Budget Workshop Meeting
Howard Leisure Center
October 23, 2024
10:00 a.m.

Board Members present: Dennis O'Donovan, President
Scott O'Brien, Vice President
Julie Genualdi, Treasurer
Jim Hynes, Commissioner
Ronnie Strzelecki, Commissioner

Staff Members present: Tom Elenz, Executive Director / Board Secretary
Scot Neukirch, Finance Director
Heather Petrie, Executive Administrative Coordinator
Jim Majewski, Superintendent of Facilities
Robin Brey, Office Manager/Recreation Program Supervisor
Laura Newton, Tam Tennis Manager
Kenny Krueger, Athletics
Peter Dubs, Golf Course Manger
Chris Urgo, Golf Pro/Instructor
Jim Stoneberg, Golf Course Maintenance
Marty Stankowicz, Iceland Manager

1. Call to Order

President O'Donovan called the meeting to order at 10:07 a.m.

2. Pledge of Allegiance

President O'Donovan led the pledge of allegiance.

3. Roll Call

Recording Secretary Petrie called the roll. All Commissioners were present.

4. Opening Comments

Executive Director Elenz opened the workshop by noting that the budget for fiscal year 2025 reflects the district's continued financial plan to provide parks, facilities and programs to residents and participants during the upcoming fiscal year. The revenues are exceeding budget due to an increase in program participation and offerings. The increase in participation is due to staff. Executive Director Elenz thanked staff for their hard work this year in keeping the park district programming successful and making it safe for our customers and maintaining our parks for our community.

Some of the major concerns we face for 2025 are how to keep increasing our current revenue sources to keep up with the increasing cost of utilities, maintenance, benefits, and salaries. The total 2025 budget revenue for all funds is \$15,378,546 which is an increase of 4% compared to the 2024 projected revenues.

The total budget expenditures are \$19,729,000 which is an increase of 2.3 million or 13% compared to the 2024 projected expenses. This increase is primarily attributed to the Golf Mill Park upgrade project.

Being fiscally responsible in prior years, the district has created ways to operate more efficiently, which when combined with revenue enhancements and expenditure reductions, the park district has positioned

itself to be financially strong and build healthy reserves. Our current reserves are 110% of actual expenses based on the 2023 audit.

The 2025 budget represents the district's commitment to fiscal responsibility to the Niles Park District residents. We will continue the district's philosophy of planning for capital replacements while maintaining and operating the district's existing facilities and programs in a first-class manner the residents of Niles deserve and expect.

Finance Director Budget Overview

Finance Director Neukirch began with an outline of how the park district plans on approaching the 2025 fiscal year.

Staff was asked to make their budget requests by late August. In mid-September, staff met with Tom and Scot to go over their preliminary requests. A series of meetings were held with department heads to review their budget requests. Today the draft requests are being reviewed with the Board. By the end of the month staff hopes to have the proposed budget available for residents to review before the November 19th meeting for a formal approval of the appropriation and the related tax levy ordinance during that meeting.

Some non-routine items are influencing our 2025 requests. The Golf Mill Park rehab project is a major influence on the 2025 budget. The State minimum wage increase has been affecting our operations since 2019 when each year the minimum wage goes up approximately \$1.00. Our market wage adjustment is our normal increase for other employees who are not impacted by the State's minimum wage increase. We also have a property tax increase request this year.

In 2019 the State minimum wage was at \$8.25/hr. By 2025 it will be up to \$15.00/hr. The park district has approximately 2 million each year in annual wages for part time employees. The rates of pay of supervisors are in some cases being adjusted as well. Through 2024 the increase in part time wages is about \$600,000 more than the Park District paid in 2019.

Staff is also proposing a 4.9% property tax increase. Total revenue generated will be \$192,000. The reason for this is the State's minimum wage increase and to assist the recreation fund which will be supporting the Golf Mill Park project. The Personal Property Replacement Tax is going to be a reduction of approximately \$190,000 to \$200,000. Even though the Park District is requesting a 4.9% increase, the Park District is subject to tax caps and PTEL limitations. On average, a 4.9% tax is requested but over the last 10 years the increase has gone up 27% which is approximately 2.7% annually. It is unlikely that we receive the full 4.9%.

The impact of the 4.9% tax increase if the Park District should receive it on an individual bill is that for every \$100,000 of your tax bill, it would result in about a 4-5% increase for the year, which would result in an increase of approximately \$8.00 - \$10.00 for the entire year.

Staff is also requesting a wage adjustment of 3% for full time staff and part time staff who will not be getting the minimum wage increase. This is due to the State's minimum wage increase requirement. Each 1% increase for full time employees' costs about \$25,000, so a 3% increase would be about a \$75,000 impact on the budget for 2025. Each 1% increase for part time employees' costs approximately \$21,000 making a 3% increase a \$63,000 cost.

Department /Fund Budget Request Review

Administration/Finance/IT

Expenses for the Finance Department dropped due to recent employee turnover. The IT Department purchased additional surveillance cameras. A human resources software system was also purchased.

Park Services

Jim Majewski and Chris Czajka

Park Services is asking for a new fork truck. They are also asking for money for shop improvements, to make their space more welcoming to people who come in to discuss planting a memorial tree or bench. Park Services would like to replace a carpet extractor that is now obsolete, and replacement parts cannot be found for it. They've requested concrete for the Jonquil dugouts and dugout covers. They have requested second floor HVAC work at Golf View. The IceLand lower-level bathroom needs to be renovated, and a door replaced. A couple of pumps need to be rebuilt at Oasis. All the guard chairs at the pool need support pieces replaced. Cargo netting is needed around the pool and pool painting is due. Sewer repair is needed in the banquet room. Tam Tennis needs HVAC replacement.

Recreation Programs – Tam Tennis, Programs, Pioneer Park, Athletics

Tam Tennis

Laura Newton

Adult, junior, fitness and nonresident tennis membership programs have already met and exceeded their budgets. Private lessons and court fees have two more months to meet their budgets. The tennis courts are used primarily between November through May. The expenses for Tam Tennis are in line with its budget and they do not have any additional budget requests.

Programming

Robin Brey

Programming did not have any significant expense requests. To date, preschool has 127 students, and enrollment has been trending upwards. Early drop off and late pick up seem to have helped increase enrollment numbers. The after-school program continues to do well. Schools Out camps and winter break and spring break camps also help. This year there will be two open houses, and staff is bringing back observation week. Summer camps have exceeded revenues, recreation and early childhood camps have filled. This year staff offered an early childhood camp for Monday through Friday, 9am – 4pm which was popular. Both preschool classes were filled during the summer. Music is offered 6 days a week and there are currently 29 people on the waitlist. Staff is brainstorming where to put another piano to get more students enrolled. There are currently two teachers on staff for the dance program. An additional instructor has been hired who is planning on introducing some new dance genres and focusing on students 10 and older. She will also be teaching theater, drama and acting classes. A new art teacher has been hired for kids and adults.

Trunk or Treat was at an all time high this year with 203 participants with 24 vendors participating. The Daddy Daughter Dance was also a big event last year. Two dances were held and both sold out. Birthday parties continue to be popular.

Athletics

Kenny Krueger and Jamie Teichmann

Core programs are all thriving but there were increases in Spring soccer and Fall soccer. All basketball programs also saw increases. There has also been increased enrollment in the sports camps. Spring girls softball enrollment increased. One main new program was offered this year which was travel soccer (FC Strikers), with 62 kids enrolled comprising 6 teams. Staff plans on expanding pickle ball lessons and forming leagues. Girls flag football has grown staff will be conducting a clinic next year. Staff will be focusing more on adult co-ed softball. Indoor soccer and football sell out almost immediately with extensive wait lists. There are also increases in youth basketball. There will likely be a need for more space with the programs growing the way they are.

Golf Course

Peter Dubs and Chris Urgo

The weather has been good all year, participation and demand remain high. The golf course has been able to surpass revenue projections the last 4-5 years. The numbers for leagues and outings continue to go up. Some upgrades that have been requested for next year are a shade structure by the first tee box. Cart fees will go up \$1.00 in 2025.

The golf school continues to do well and is sold out again. The curriculum is adjusted every winter.

Golf Course Maintenance

Eric Aguayo

The Golf Course Grounds department needs to replace a mower because parts for it are no longer available. They are also requesting a utility cart to replace an old golf cart and greens roller to use in the Spring. They are also requesting a main pump manifold replacement.

Ice Rink

Marty Stankowicz

IceLand's skating programs are doing well and bringing in more money than they ever have. Unfortunately, they don't have enough ice space and have wait lists for various programs. Hockey is doing better than expected. The bathrooms in the basement are original, 35 years old, and need to be updated. They raised prices by 5% in September. Rental rates were raised by 3%.

Highlights of Remaining Funds

Scot Neukirch

Finance Director Neukirch summarized the highlights of the remaining funds: IMRF, FICA, General Liability, Audit, Paving and Lighting, Police Protection, Handicapped and Capital Projects. For the most part, these funds are supported by property tax collections.

IMRF fund: the 2025 IMRF employer contribution rate dropped to 6.62%.

FICA fund: this fund pays for social security which is 6.2% of salaries and Medicare which is 1.45%

General Liability fund: this fund pays for workers' compensation and liability insurance for the park district.

Audit fund: pays for the park district's annual audit.

Debt Service fund: pays the associated debt service payments each year for the park's outstanding debt.

Paving and Lighting fund: pays for the seal coating and paving for our facilities.

Police Protection fund: this fund is for Park Patrol and payment of Park Patrol staff.

Handicapped fund: this fund is for MNASR and costs associated with provided our services to residents with special needs.

Capital Projects fund: expenses and revenues associated with the Pioneer improvements.

Next Steps in the Budget Process

The tax levy and appropriation ordinance will be available to the public prior to the November board meeting. At the November board meeting, residents will have the opportunity to ask questions.

5. Citizens Wishing to Address the Board

There were no citizens who wanted to address the board.

At this point the Board discussed the proposed tax increase. Specifically, they discussed whether to implement it and if so, how much it should be. It was the consensus of the Board to proceed with the 4.9% tax increase.

6. Convene into Executive Session under section 2 (C)(1) to discuss personnel issues, section 2 (C)(5) to discuss real estate and section (C)(11) to discuss litigation of the open meetings act (if necessary)

7. Adjournment

A motion was made by Commissioner Hynes and seconded by Treasurer Genualdi to adjourn the budget workshop and convene into executive session. Recording Secretary Petrie called the roll:

President O'Donovan	Yes
Vice President O'Brien	Yes
Treasurer Genualdi	Yes
Commissioner Hynes	Yes
Commissioner Strzelecki	Yes

The motion passed 5-0

APPROVED:



President

Board of Commissioners

Date: October 23, 2024



Board Secretary

