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ADMINISTRATION OPERATIONS AND MARKETING COMMITTEE

Glenview Park District – Administration Building

1930 Prairie Street, Glenview, IL 60025

Regular Meeting Minutes

Thursday, October 3, 2019 @ 9:30 a.m.

1. Roll Call

Committee Chair Joe Sullivan called the meeting to order at 9:50 am and the roll was called.

Commissioners present: Committee Chair: Joe Sullivan; Committee Member: Dan Peterson; Dave Tosh, Bill Casey, Dave Dillon

Official Staff present: Executive Director Mike McCarty, Deputy Executive Director Katie Skibbe, Human Resources Manager Sarah Bagley, Superintendent of Park and Facility Services Jim Warnstedt, Finance Director Erin Ryan, Director of Brand Strategies and Community Engagement Jena Johnson, Superintendent of Leisure Services, Treasurer Bill Moore, Recording Secretary Amy Wille

Guests: Jamie Wilke of Lauterbach & Amen

Late Arrivals, Early Departure: None

Commissioners/Official Staff absent: None

2. AGENDA TOPICS

a. Part-Time Salary Ranges

Human Resources Manager Sarah Bagley stated staff's recommendation for several changes to the part-time wage structure to address the change in minimum wage, internal compression, and recruiting issues.

Commissioner Joe Sullivan asked about the total estimated cost of \$23,000 and whether the majority of the cost comes from addressing minimum wage or internal compression. Bagley responded that majority of the cost covers fixing internal compression issues.

Deputy Executive Director Katie Skibbe stated the District's minimum wage is increasing to \$10 per hour, effective May 1, 2020.

The committee recommended the proposed part-time salary ranges to be moved to the consent agenda for full Board approval.

b. IMRF Phase-In Rate Payment

As discussed at the September 5, 2019 Finance Committee Meeting, Deputy Executive Director Katie Skibbe asked the Board for consideration to approve a payment in the amount of \$91,759 to the Illinois Municipal Retirement Fund (IMRF) to eliminate the Net Pension Obligation associated with selecting the phase-in rates in 2010 and 2011.

Skibbe explained that in 2008, during the Great Recession, IMRF's investment return was -24.80%. To provide relief to employers, IMRF adopted a phase-in plan for employer contribution rates which capped most employer rate increases at 10%.

Employers who choose to contribute less than the Annual Required Contribution (ARC)

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were required to record a Net Pension Obligation (NPO) on their books for the difference between what they actually contributed and what they would have been contributing using the ARC. The phase-in rate for calendar year 2010 reduced the District's employer rate from 11.24% to 10.55%; the phase-in rate for calendar year 2011 reduced the District's employer rate from 12.04% to 11.61%. Skibbe stated that the Net Pension Obligation created by taking the lower rate is now \$91,759.

The committee recommended a payment in the amount of \$91,759 to the Illinois Municipal Retirement Fund to be moved to the consent agenda for full Board approval.

c. IMRF Additional Payment

Deputy Executive Director Katie Skibbe reported that the Retirement Fund has a large fund balance of \$1,859,754 as of April 30, 2019 almost 100% of operating expenditures. She explained that IMRF has more investment options and typically a greater return than the Glenview Park District, therefore it is beneficial to the District to make a one-time payment of \$1,100,000 to IMRF. This one-time payment will offset the District's unfunded Net Pension Liability.

The District's Net Pension Liability (NPL) increased significantly in 2018 due to a change in the assumed rate of return and low investment returns (specifically in December). Skibbe presented a history of the District's funded percentage and Net Pension Liability. She stated that the reduction in the assumed rate of return by the IMRF Executive Board, along with changes in participants' average remaining life and mortality tables, resulted in an increase to the District's Net Pension Liability of \$1,222,033.

Skibbe presented IMRF's investment return since 2008, noting the decrease in return during the 2008 recession and how IMRF has recovered.

Treasurer Bill Moore requested that the Board create a policy incorporating guidelines and conditions regarding additional payments to IMRF. He inquired about the Retirement Fund portion within the tax levy and future payments to cover the unfunded Net Pension Liability. Skibbe responded that staff intends to continue levying the IMRF Tax Levy to cover expected costs.

The commissioners and staff discussed the mandatory annual IMRF contribution rate and the effect that the one-time payment will have on future rates.

The commissioners discussed the direction for a policy, including a schedule and parameters, to be created before the April Budget Meeting. The commissioners requested that the policy state that the Retirement Fund maintains a 35% fund balance and the required contribution is levied annually. Staff agreed to create a policy.

The committee recommended a one-time payment in the amount of \$1,100,000 to the Illinois Municipal Retirement Fund to be moved to the consent agenda for full Board approval.

d. Seasonal Brochure Bid

Director of Brand Strategies and Community Engagement Jena Johnson gave an

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overview of the seasonal brochure bid that was opened on September 23, 2019. The bid requested pricing on four components to allow for flexibility within the 3-year contract term. The components included two components with seasonal brochure specifications, one component with summer camp brochure specifications, and one component with mail preparation services and delivery to post office for all brochures. Johnson explained the differences between the District's current brochure process in relation to the new process.

Johnson reported that five bids were received. Staff recommended Paulson Press of Elk Grove Village, Illinois for seasonal brochure services in the amount of \$18,000.

Johnson stated that the lowest bidder, Shumann Printer, was not chosen due to their lack of paper samples, negative references, and out-of-state location. In comparing the next lowest bidder, Kelvyn, to Paulson Press, Johnson stated that Paulson Press provides a print proof for review and in-house mailing services whereas Kelvyn only provides a digital copy and uses a third-party mailing service. She added that Paulson Press currently handles the seasonal brochure services for Glenview Park District and also works with several park districts in the surrounding area.

Commissioner Dan Peterson asked about the mailing process. Johnson explained the District's current process of printing the brochure and the list of addresses that receive brochures. Commissioner Dave Dillon asked if the newly annexed properties were included. Staff responded that that the annexed properties were added as soon as the annexation was approved.

The committee recommended to accept the Paulson Press of Elk Grove Village, Illinois in the amount of \$18,000 to be moved to the consent agenda for full Board approval. In addition, the committee recommended to reject the bids from Schumann Printer of Fall River, Wisconsin and Kelvyn of Broadview, Illinois to be moved to the consent agenda for full Board approval.

3. Other

None

4. Matters from the Public

None

5. Adjourn

Committee Chair Joe Sullivan moved seconded by Commissioner Jen Roberts to adjourn the Open Session at 9:06 am. On Voice Vote: All present voted aye, motion carried.

ATTEST:

Jennifer G. Roberts
Board President

Michael D. McCarty
Board Secretary

Approved this 21st day of November 2019.