

**Park Board Meeting
July 24, 2024**

Pursuant to due call and order, the Board of Park Commissioners, Dickinson Park District, met for a Special Meeting at on 7:30 am on Wednesday, July 24, 2024, at the West River Community Center.

ROLL CALL: Present were Commissioners Scott Karsky, Tim Daniel, Zach Keller, Tyler Tucker. Also, present were Executive Director Benjamin Rae, Director of Buildings/Grounds Craig Pearson, Director of Recreation/Facilities Caleb Burgard, and Clerk Leah Hoenke. Commissioner Nic Stevenson was absent.

PLEDGE OF ALLEGIANCE: The Pledge of Allegiance was given.

BOARD WORKSHOP

Review Preliminary Budget – Executive Director Benjamin Rae reviewed items for the preliminary budget. He highlighted items that were over \$5,000 from this year's budget. On the revenue side, services bring in a lot more in personal training services which accounts for a difference of \$56,250. On the expenses side the biggest movers are in personnel wages such as aquatics, customer service, daycare, building attendants, payroll taxes and personal training wages. Other areas of large increases are contract services for cleaning and insurance for fire and tornado and vehicle and liability insurance. Director Rae moved on to show general fund saying that we had to include additional expenses on the defined benefit retirement plan along with the biggest movers being state aid and revenue sharing. He said 13% is passed to park district for state aid share. He highlighted that some adult leagues are decreasing but others such as adult volleyball leagues are growing. He also said he expects to get more revenue from ice center, more revenue in youth basketball tournaments and will see a \$5,000 decrease in cabin leases at Patterson Lake due to recent sales but hay contract sales were added which brings in a good revenue amount. On the expense side, he commented that health insurance and personnel wages are all showing increases. He said between ground wages and new golf cart lease, that is vast majority of increase along with seeing a 25% increase in property insurance, that alone was \$60,000 increase. Discussion was held on the golf course budget and should we be considering a loss. Benjamin said he's not very comfortable with maintenance plans at the golf course. Discussion followed. Director Benjamin Rae then reviewed the areas where he has been conservative, saying for state aid he budgeted \$290,000 and said he's hesitant on sales tax, there have been highs and lows this year. He said for interest income we can expect anywhere from \$50,000 to \$90,000. He's hesitant to base operational budget on inconsistent interest revenue. Keep in mind with the federal reserve looking to pull back on interest rates slightly, it is likely we'll see our interest income dropping. Discussion followed on investment revenue. He explained that we distribute interest income back into the fund it was taken from, goal is to not let our money sit there and to use it for investment purposes when possible. He said a good rule of thumb is to have 25% in operating budget in reserve and we are getting close to having that amount of money. He then commented on the audit which we have been paying for annually and per century code we only must do it bi-annually. He is recommending that we do bi-annually. He also said that back in early 2000's the district decided to have new employees go to a defined contribution retirement plan. We now have three employees left on the defined benefit plan and paying \$274,000 for those employees in that plan. He is concerned about where this is going. He will be meeting with the City Administrator on this. Commissioner Zach Keller said he thinks this is a good use of the interest funds to be dedicated to retirement to help offset the problem. Director Rae said the estimate is that we will have to pay until 2041 before the plan is self-sustaining. He said he told the city this week that either he or one of our commissioners needs a seat at the retirement meetings. Director Rae then discussed the mill levy saying we can always go down in budget, but we can't go up after we approve the preliminary budget. Director Rae reviewed the mill levy based off a \$300,000 home. He showed different scenarios based on valuation increases and potential mill levy increases. He then reviewed the projects earmarked for 2025, which equates to \$584,000. These are not all projects that are out there, just the top on the list. He asked the Board where they would like to see us be for the mill levy. He said in talking to Commissioner Stevenson, he thinks we need to be in the \$40 range. President Scott Karsky said he thinks we have been frugal and have done a good job, he said he thinks \$30-\$40 increase is fair. Commissioner Tyler Tucker agreed. Director Rae reviewed the proposed increases for 2025 for wages. He reviewed the increases and said in a nutshell it is about \$25,000 increase to WRCC which have been covered with the budget and \$7200 to general fund. He reviewed the full-time grade and step plan. We have contacted all larger park districts among other agencies to compare salary plans. He said we give a 3% expectation of increase with a good evaluation. There are a few positions we give a larger percentage to because they are far below what they should be. The board agreed that 3% consistency is a stronger model to follow for employees. Commissioner Zach Keller said he doesn't feel great about us being below the state and national averages, he feels that the park district will be better if we pay better. Discussion then followed on projecting loss at golf course. President Scott Karsky said there is too many unknowns at the golf course, we want to be conservative. Commissioner Tim Daniel said he is torn between a \$30-\$40 increase. He said we have to be at the \$30 range but is not opposed to going closer to \$40. Discussion followed. Director Rae stated that the Preliminary Budget will need to be approved at a special meeting on August 2.

Adjournment – MOTIONED BY: Tyler Tucker; SECONDED BY: Zach Keller to adjourn the meeting at 8:43 am. All aye, motion carried.

PREPARED BY:

APPROVED BY:

Clerk

President