



MASSILLON RECREATION BOARD MEETING MINUTES October 4, 2023

The Massillon Recreation Board met in a special meeting on October 4, 2023 at 5:00 p.m.

Board Members:

Present: Mark Hickey, Ted Schartiger, Moe Rickett, Alex Wood

Others Present: Julie Harwig-Smith

Staff Members:

Present: Steve Pedro, Carol Leonard, Tiana Spencer, Carrie Lowry, Joe Pape

Acceptance of October 4, 2023 Meeting Agenda:

23-104 *Mr. Hickey moved; seconded by Mr. Schartiger to approve the October 4, 2023 meeting agenda. Motion carried 4-0 by roll call vote.*

NEW BUSINESS:

1. Replace HVAC unit at the Legends clubhouse, not to exceed \$31,000 (Attachment)

23-105 *Mr. Hickey moved; seconded by Mr. Schartiger to accept to replace the HVAC unit at the Legends clubhouse, not to exceed \$31,000. Motion carried 4-0 by roll call vote.*

Steve Pedro: If I may let you know, we have one down there that is on its last leg. We have three quotes. You can see them there. The one for RT is \$29,475, I just put at \$31,000 in case there are some incidentals which we'll see how that goes.

Mr. Rickett: There is so much discrepancy in the price. Basically, they are all the same services, one or two items but not that many. My question would be \$20,000 difference?

Steve Pedro: We don't use that one very often

Mr. Hickey: Why is that Steve?

Steve Pedro: Because of that price

Mr. Hickey: I'm fine with it

Mr. Rickett: Is that the one you guys want? The RT?

Mr. Hickey: Yes

Mr. Rickett: Okay, somebody want to make a motion? You want the RT Hampton?

Mr. Hickey: That's what Carrie said

2. **Appropriate \$34,500 from the Legends carryover - \$31,000 to Capital Improvements, \$2,000 to Legends Services and \$1,500 to Food and Beverage Services**

23-106 Mr. Hickey moved; seconded by Mr. Schartiger to appropriate \$34,500 from the Legends carryover - \$31,000 to Capital Improvements, \$2,000 to Legends Services and \$1,500 to Food and Beverages Services. Motion carried 4-0 by roll call vote.

Steve Pedro: That's to cover that HVAC unit and to get us through the end of the year for the other two lines

Mr. Hickey: What will that leaves us for the carryover? Just out of curiosity

Carrie: \$139,000

Mr. Hickey: Thank you, Carrie

3. **Replace well pump at the Legends, not to exceed \$38,000 (Attachment). We have asked two other companies for quotes and will go with the best**

23-107 Mr. Wood moved; seconded by Mr. Schartiger to accept to replace the well pump at the Legends, not to exceed \$38,000. Motion carried 4-0 by roll call vote.

Mr. Rickett: You want to do this as a not to exceed?

Carrie: Yes

Steve Pedro: Motion

Mr. Rickett: You think that is the best way to go on that, before you get those other quotes? What if they all come in high?

Carrie: Yes, this is pretty much an emergency

Steve Pedro: We have to have a motion

Mr. Hickey: We need to have a motion

Mr. Rickett: Oh, I'm sorry, we need a motion first

Steve Pedro: We have the one from Ohio Drilling. They may be the only ones that gives us a quote. Greg has contacted two other companies as of right now and they have not...the one says it's a too big of a job for them and we are waiting on the other one. This is more than likely not going to happen until 2024. But we need to order the items once it is approved.

Mr. Hickey: Will this be paid out of the 2023?

Steve Pedro: No, it will be paid out of 2024

Mr. Hickey: Okay, so that will leave us with the \$139,000

Steve Pedro: Well, eventually, that is where it will go, yes. We'll have the budget then you go back. Yes.

Mr. Hickey: Okay

Mr. Rickett: Question, is \$38,000 enough since you don't know

Carrie: We have that quote from Ohio Drilling Company

Mr. Hickey: The quote says \$36,616

Carrie: Yes, that is worse-case scenario

Steve Pedro: They did tell us there is a chance it could be electrical and they may not have to replace the pump. It could be a lot less. They think this is the most it can possibly be.

Mr. Hickey: Has this pump ever been replaced?

Carrie: No. It's been worked on I think once or twice, the electrical

Mr. Hickey: So, this is the original pump?

Carrie: Yes

Mr. Hickey: I was wondering when these things were going to start to go

Carrie: Yes

4. **Parks / Recreation / Senior Center staff 3% salary increases**

23-108 Mr. Hickey moved; seconded by Mr. Schartiger to accept Parks/Recreation/Senior Center staff 3% salary increases. Motion carried 4-0 by roll call vote.

Steve Pedro: This is the 3% that all the city employees are receiving

Mr. Wood: Just so it's noted, I think that is low. I think it should be higher, a lot higher than that

Mr. Hickey: I somewhat disagree. I think the staff is underpaid. I think our management somewhat is paid totally enough. I mean, this person that is making \$10 an hour we approved last pay raise, is going to go to \$10.30. I don't know how you are going to get people at \$10.30. And the reason I say that is we've had a hard time getting people in our parks. We've done it your way for six years. It's not getting us anywhere. I think we need to raise to attract people to these positions. I mean, I have to tell you, I'm in pretty good shape. I don't want to go out there and sweat like crazy and cut grass and that for what you're paying. I won't do it. I'm not against giving raises. We've been doing the same thing for the last six years. I just think our staff people need to get a bigger chunk vs. the management people. That's all I'm saying. Now, I don't want to be the only one chiming in. If anyone else has another opinion, go ahead.

Mr. Wood: I think it should be across the board

Mr. Hickey: Well, they're going to get 3%. I think they should get more.

Mr. Wood: But higher for everybody. Everybody involved here.

Mr. Hickey: Well, we have a budget. I'm sorry, go ahead.

Steve Pedro: I do have, as I stated last meeting, on our next meeting. I want to show you. I want to raise all of those pays for all of our part time people.

Mr. Hickey: Okay, so what would that end up being

Steve Pedro: Most of our guys in parks, they are at \$12 now

Mr. Hickey: Okay

Steve Pedro: Okay, and some of our people here are at \$12 that do the different jobs. So, you know, \$12-\$14-\$15 is really as far as we can go to get started and we continue to improve on that

every year. I will have that proposal for you. I have that and we are going to do that the next meeting.

Mr. Hickey: Giving all these raises, are we going to be able to afford it?

Steve Pedro: We are going to be able to afford it

Mr. Hickey: Okay

Steve Pedro: We are going to be able to afford it. As you can see in the budget here. It's got the 3% raises but we also want to add a full-time parks member. We have three. We are adding a which we haven't had in a while, a Sports Supervisor which we just concluded interviews and we increased the Marketing Coordinators pay to \$15 an hour. That's a part-time position. The reason that pay was so low is because the person who had it was only able to make x amount of dollars per year because of her personal thing. We are going to up everybody's.

Mr. Hickey: I know you are saying this. Can you answer one question for me. Can you tell me how much income tax was collected this year and last year?

Steve Pedro: Mark you asked me that

Mr. Hickey: I've asked you that for six years straight

Steve Pedro: Lori gave us that number the end of last year. I haven't heard it this year yet. She told me it was on target which means our % is on target. That was the answer. It's on target right now.

Mr. Rickett: Yes, but that doesn't give us an amount

Steve Pedro: She gave us a number at the end of last year in December

Mr. Hickey: Okay, what was it?

Steve Pedro: I don't have that in front of me, but we are on target for tax collections is what the Budget Director told me and Tax Director.

Mr. Hickey: I don't think that is an outrageous question

Steve Pedro: I don't think it is either but that's the answer I got and I know she gave us a number at the end of the year last year

Mr. Hickey: Okay

Mr. Wood: Do you get incremental raises, I mean increases annually?

Steve Pedro: Yes, in the past seven years, yes

Mr. Rickett: They've had raises, 3%?

Mr. Hickey: No

Mr. Rickett: 2%-3% from when we got back on the board in 2018. They've got that amount. 2%-3% per am

Carrie Lowry: Plus, cost of living, what's the standard cost of living?

Mr. Rickett: One year I think it was 2 ½ %

Steve Pedro: I don't remember. I think it was 2, 2-3. I think 3 was the most last year and then 3 again this year. The city has been following the ASCME union contract. I was told they were trying to get more next year so I don't know.

Mr. Hickey: No, no, I understand that but we are not a department. I want to make that perfectly clear. We operate on a different tax budget than the city does. We do not get all the benefits the city does so we have to be somewhat prudent with our money and I'm just asking, if do keep granting these raises, are we going to run into trouble down the road?

Steve Pedro: I hope not, I hope not

Mr. Rickett: I can guarantee you, you will. Not just as a department, I'm talking as a city. I don't know where the extra is coming from

Mr. Hickey: This is our job to ask these questions

Steve Pedro: I don't have a problem with the questions

Mr. Hickey: So, basically all I'm asking is, everybody wants to say yes. I want to say yes. I'll tell you what, I wish you guys were here when I first got on the board 11 years ago. It was a disaster.

Steve Pedro: But, we are not in that place now, Mark

Mr. Hickey: Well, you know, tax receipts are falling across the United States. They're not going up, they are going down. It's just a matter of time before it starts hitting here. I'm going to go with your recommendation this time. I'm going to go with it. As far as that goes. But, I'm going to tell you what, if things get bad and I'm still on the board, I don't have a problem asking for it back. I just want to make that clear. Do you have anything to say Ted?

Mr. Schartiger: Well, I agree with everything you've said about the staff. They should be making more. There is no question about that. It should be a concern of all of us looking down the road, are we going to run into problems.

Mr. Rickett: The way I look at it is, we are on a fixed income as a department. We get three tenths of a percent of 1%, that's our budget

Mr. Hickey: But we are on target. Target for what? I don't know.

Mr. Rickett: Usually it comes down to 2 ½ - 3 million dollars a year and it's been that way, well at the very beginning it was a little less. It's increased over the years but that's all we get other than our revenue from softball or grants that we write. We've got a budget for that and every time they

hit us with an increase, that's \$30,000 less we get to spend in the parks or on something else. That's all I'm saying. I think it's deserved. I think they need more, it's just that we are on a limited budget. You guys budget at home. You know what you got coming in at home. That's all I'm saying. I just hope we don't run into problems down the road. I'm with Mark, I'm going to vote for this as well. I still have a couple questions.

Mr. Hickey: Then, ask them

Mr. Rickett: Utilities

Steve Pedro: We are not there yet

Mr. Hickey: This is just the budget. Once you pass these budgets watch the good moods they are going to be in

Mr. Wood: What's our process with the city to ask for money for Parks & Rec. How does that process work?

Steve Pedro: The auditor certifies a certain amount every year for the Parks and Rec through the tax collections

Mr. Hickey: We have our own funding, Alex

Steve Pedro: Yes, three tenths of a

Mr. Wood: Who negotiates...how do you arrive at that number? Who negotiates that?

Mr. Rickett: That was a voted amount

Mr. Wood: That's how you go forward

Mr. Hickey: No, we don't negotiate with the city. We collect three-tenths of all the income tax coming in

Mr. Wood: But that has to generate from some where

Mr. Hickey: From the tax payers, if you are working. If you are retired, you are not paying into it. But if you're working, like a guy like me is paying that .03%

Mr. Wood: Who negotiates our piece of the pie? That's what I am asking.

Steve Pedro: We get .03%, that's it

Mr. Wood: Okay, with no questions. There are no negotiations, no lobbying opportunity to get more money for our department?

Mr. Hickey: No

Steve Pedro: There hasn't been. I don't know if that is even possible with that tax

Mr. Wood: I would think so since this is public, I would think it is

Mr. Hickey: We are not a department, we are our own separate

Mr. Wood: No, I get that Mark

Mr. Hickey: That's where the .03% comes in. We cover the golf course debt, we cover their salaries

Mr. Wood: But revenue is part of the Rec Center? And also, part of this budget is tax money.

Mr. Hickey: Correct

Mr. Wood: Where does the tax money come from?

Mr. Rickett: The city, correct?

Steve Pedro: Yes

Mr. Hickey: City income tax

Steve Pedro: The revenue from the Rec Center revenue and the Golf Course revenue

Mr. Wood: And I get what you are saying, I get all that but the reality of this is our bank is the city, correct?

Mr. Hickey: Our bank is the tax payer

Mr. Wood: And they are babysitting and they distribute the money

Mr. Hickey: No, that's incorrect. We get it regardless

Mr. Wood: We get what he just said, but here is my question, just so I understand.

Mr. Hickey: There's a learning curve here

Mr. Wood: That can never be increased?

Steve Pedro: I think the tax payers would have to vote on it

Mr. Wood: It's a levy issue

Steve Pedro: Yes, in 1995

Mr. Wood: Okay

Mr. Hickey: There's a learning curve here, Alex. I know that. It's a little

Mr. Wood: I'm trying to understand by asking the question and we are concerned about running into issues going down the road and I get that

Mr. Hickey: If the tax payer is bringing in less income, we are going to have less income coming in for the Rec tax each year. If things boom and the taxes go up, we're going to be better

Mr. Wood: But even if the tax collections go up and we are stuck at 3%, it doesn't matter

Mr. Hickey: Well no. Let's say the city collects \$21 million. We get .03% of that

Mr. Wood: Yes

Mr. Hickey: Then the next year, they collect \$20 million, we get .03% of that

Mr. Wood: Sure, sure. I got you

5. **Parks & Recreation 2024 Budget (Attachment)**

23-109 *Mr. Hickey moved; seconded by Mr. Schartiger to accept the Parks & Recreation 2024 Budget. Motion carried 4-0 by roll call vote.*

Mr. Hickey: Steve, can I ask you one question?

Steve Pedro: Yes

Mr. Hickey: How accurate do you think this is. I know you can't be precise but how accurate is this budget, in your opinion

Steve Pedro: I've been pretty close the past few years and I don't just look at this. I talk to my staff. I talk to the budget and income tax director, and the auditors as well before I put numbers in

Mr. Rickett: I have a question. On items #14 and #15 there are utilities and utilities at the Rec Center. That's \$350,000 for utilities. Is that

Steve Pedro: It's probably a little high. We don't know the increases for next year yet so that's why that is there. At the end of the year, we put it in our carryover or if we need to use it for something else. In November and December if something comes up, we can transfer it out. It is a little high but we are anticipating increases for utilities. Honestly, they haven't given us that number yet.

Mr. Rickett: That's surprising

Steve Pedro: The utility companies haven't. We don't know exactly but they did say the utilities are going to increase

Mr. Rickett: On #16, Travel/Seminars/Schooling, that's been the same for about four years now. Do we use that?

Steve Pedro: Yes, we use that for the Ohio Parks and Rec Association convention and then any trainings we need to send anybody to. Some webinars cost money. There again, what we don't use either goes in our carryover or if something breaks down, we can transfer it and use it for something else.

Mr. Rickett: The next item, #17 Services/Contracts. It went up \$50,000. What is that about?

Steve Pedro: If you look at the bottom line, the amount that they certified is \$2,945,000 so I put more in service and contracts. I can tell you right now. We've had a lot of breakdowns this year

with our HVAC units. As you see there, we have another one here at the Rec Center right now. I'm waiting on tomorrow to get a price on that. I think it's just a motor and hopefully that will be just \$4,000 or \$5,000, then we have to pay for them to install it. We might have to get a crane so there are some issues there.

Mr. Hickey: Do you know when the last time those were replaced? I think it was like 2012

Steve Pedro: One of them was replaced but since I've been here, we've had a lot of repairs. The last one that we did the major repair on, I was told you are good for another 10-15 years so we will see. It's been 20 years now.

Mr. Hickey: I think we did the Rec Center when I was on the city side and I can't remember which year it was

Steve Pedro: It was in 2017. I think replaced the whole...it was like \$147,000 for

Mr. Hickey: We did something before that and I can't remember what it was

Steve Pedro: Hopefully we are good for a while once this one gets fixed. We had a blower go out then we had a motor go out. We got the blower fixed and now the motor is out. The weather is starting to get cold. We don't have any heat in the gym right now so hopefully we can get that done once they give me the final price. I should have that tomorrow so it's hopefully under \$5,000

6. **Legends Golf Course staff 3% salary increases**

23-110 *Mr. Hickey moved; seconded by Mr. Schartiger to accept Legends Golf Course staff 3% salary increases. Motion carried 4-0 by roll call vote.*

Mr. Hickey: Can you tell me what the debt payments have been for the Legends. We used to get a sheet. I just don't know exactly anymore.

Steve Pedro: I will have that for you tomorrow, updated. I believe, and Moe, maybe you can help me, you got it last. I just remember us talking about it, I think maybe like \$435,000

Mr. Hickey: Okay, that sounds right. I just put estimate

Steve Pedro: I would say it is up to \$475,000 but I will email that to you tomorrow

Mr. Hickey: That's what I thought

Steve Pedro: Okay

Mr. Hickey: Send it to all of us

Steve Pedro: I will do that. In fact, I will do that when I get up to my office

Carrie Lowry: Steve, what's remaining on it, like \$2.7 million?

Steve Pedro: I'd have to look at it. I don't want to give you the wrong number

Mr. Hickey: Is that pretty close?

Carrie Lowry: \$2,795,000, I believe

Steve Pedro: 2031 is our final payment and there is no balloon payment on this new debt schedule

Mr. Hickey: This is a good question for Alex. So, what happens in 2031?

Steve Pedro: What happens?

Mr. Hickey: Yes, does this tax go back on the ballot?

Steve Pedro: No. This is a forever tax, right?

Mr. Hickey: I don't know. You tell me.

Steve Pedro: The only way it can come off is if it is voted to come off

Mr. Hickey: We've got forever stamps but

Steve Pedro: But the only way it can come off is if it is voted to come off

Mr. Hickey: Do they have vote in 2031 again?

Steve Pedro: No. 2031 is just when our debt is paid off. They didn't vote for the debt

Mr. Rickett: That's just when the Legends is paid off, Mark

Mr. Hickey: Okay

Steve Pedro: And, the Rec Center

Mr. Hickey: Yes, the Rec Center too

Mr. Rickett: I thought the Rec Center was 2035

Steve Pedro: No. I'll send it to you tomorrow

7. **Legends 2024 Budget (Attachment)**

23-111 *Mr. Hickey moved; seconded by Mr. Schartiger to accept Legends 2024 Budget. Motion carried 4-0 by roll call vote.*

Steve Pedro: We talked about increasing the Legends towards their debt. If you look down at the bottom right there. Forever it's been 97.25% going towards operations, 2.75% has gone towards the debt. This year I am proposing we put 97% towards operations, 3% towards the debt and then 2% goes into the 1433 capital improvement line.

Mr. Hickey: Let me ask you. With 3%, how much of the debt are they paying? Do you have a rough number? Estimate?

Steve Pedro: About another \$37,000 or \$38,000, somewhere in that area. We talked about going up every year about .25%, depending on revenue

Mr. Hickey: Why are we doing that? Just out of curiosity.

Steve Pedro: So, we can pay more debt

Mr. Hickey: But you can't pay it off early, can you?

Steve Pedro: No, no we're just paying more towards the debt from the Legends revenue because the Legends is doing better now. If that should change, maybe we would have to go back to the 2.75%. I think it's a step in the right direction.

Mr. Hickey: We can't pay it off early?

Steve Pedro: No, I don't think you can

Mr. Hickey: I don't think you can make extra payments

Steve Pedro: We can increase their revenue towards the debt payment. Some money will go towards capital improve, but more money is going towards the debt of the revenue...to that \$440,000.

Mr. Hickey: I think what Alex was asking, is that there is no benefit in paying it off early. I don't think we can pay it off early. So, let's say the debt is \$435,000 and we pay \$440,000. I don't think you are allowed to do that.

Steve Pedro: I don't think you can do that

Mr. Wood: What is that, a ¼ % there that you are adding

Steve Pedro: Yes, a ¼ % of the revenue

Mr. Wood: Since you can't pay it off early with no real benefit wouldn't it be better off to use, whatever that number is, to use for operational, or use the money now, just like your household budget

Mr. Hickey: That would be less money for Parks so I mean that's fine. I seem to think we have enough

Steve Pedro: This has been talked about for a long time. The stickler is, some of us know and some of us don't. The Legends will be paying a little bit more towards their debt to help out as a group. The debt payment is not going to change.

Mr. Wood: No, but how does that help out the overall picture

Steve Pedro: They are going to increase, I think it is at \$35,000 now, it will go up to \$38,000

Mr. Hickey: We'll have less money for operations

Steve Pedro: Well, they'll have a less percentage. Right now, they are making more and that is why that was certified

Carrie Lowry: It's based off of what we make each year so the more we make the more we contribute to that payment. I forecast that we make \$2 million next year as far as revenue. Steve, they take out of everything, don't they?

Steve Pedro: Food and Beverage and Clubhouse fees

Carrie Lowry: But not Pro Shop?

Steve Pedro: No. The increase will be paying more towards the debt payment

Mr. Hickey: I understand that. He's brand new.

Steve Pedro: I know. I'm going to send you the debt schedule

Carrie Lowry: It will be about \$57,000 that we would put towards that debt payment if it goes to 3%

Mr. Wood: What's the benefit?

Steve Pedro: The Legends paying more for their debt, that's the only benefit

Mr. Hickey: I do have a question. Capital improvements, what do we plan to do next year?

Carrie Lowry: The pump, that is one. That is the major concern. Bunkers, range renovation. We are looking to add on to the range, tee wise to fit more people across it, to make more money that way. Finish up the cart paths. Irrigation boxes. We are trying to do 6-7 irrigation boxes per year.

That's \$35,000 just for 6 irrigation boxes. Dump trailer and we need more banquet table and chairs. So, right there, that comes to \$185,000 and parking lot.

Mr. Hickey: Of the capital improvement, 2%, how much of that is going into the capital improvement, roughly?

Steve Pedro: There are two Mark. Originally the Legends didn't have a capital improvement line. We put money into it through the 1234 account. With this change, they still have that account but now the 1433 account, which is the city capital improvement line, they will have \$29,000 in that line. Both lines are used for capital improvement.

Mr. Hickey: I see that here. Okay. Thank you.

Steve Pedro: You're welcome

Mr. Hickey: I can see that all those things are very well needed

Mr. Wood: Carrie, just a little further. Would you consider putting some money into the actual brick and mortar, capital improvement?

Carrie Lowry: We painted the building this year

Mr. Wood: I mean a little bit more

Carrie Lowry: If needed, sure

Adjournment

23-112 *Mr. Hickey moved; seconded by Mr. Schartiger to adjourn the special Recreation Board Meeting. Motion carried 4-0 by roll call vote.*

There being no further business, the meeting adjourned at 5:31 pm. The next scheduled regular meeting will be on Wednesday, October 18, 2023 at 5:00 pm at the Massillon Recreation Center.

Transcribed By: *Carol Leonard, Office Manager*