COMMITTEE-OF-THE-WHOLE
MINUTES OF THE MEETING OF THE PRESIDENT
AND THE BOARD OF TRUSTEES OF
THE VILLAGE OF ARLINGTON HEIGHTS
VILLAGE HALL COMMUNITY ROOM
MONDAY, MARCH 11, 2013
7:30 P.M.

BOARD MEMBERS PRESENT:	Mayor Arlene J. Mulder, Trustees Blackwood, Breyer, Farwell, Hayes, Glasgow, Rosenberg, Scaletta, & Sidor
STAFF MEMBERS PRESENT:	Bill Dixon, D. Mikula, T. Kuehne, J. McCalister, M. Juarez, C. Kobus, K. Hansen, P. Butt, P. Robb, P. Wilkiel
OTHERS PRESENT:	G. Johnson, J. Kuhl, D. Nelson, C. Drost, K. Person,B. Shepard,D. Smart, P. Berman of the Library, J. Lynn, C. Beck of Metropolis, S. Ho, Chicago Tribune, M. Silverberg, Daily Herald, T. O'Connor, Arlington Heights Journal, Gloria Casas, Arlington Patch

SUBJECTS:

4. Staff Follow-up from Previous Meeting
5. Arlington Heights Memorial Library
6. Building & Health Services Department
7. Performing Arts at Metropolis Theater
8. Other Business
9. Adjournment

President Mulder called the meeting to order at 7:30 PM.

4. Staff Follow-up from Previous Meeting

There were no staff follow-ups.

5. Arlington Heights Memorial Library

Library Board of Trustees' President Kerry Pearson introduced the Library Board and staff that were present.

Library Treasurer Deborah Nelson stated that the Library Board of Trustees adopted their budget on February 19th. She said that the Board of Library Trustees adopted the 2012 tax levy which reflects a 0% increase over the prior year extended levy.

Ms. Nelson continued by giving an overview of the Arlington Heights Memorial Library's FY2014 budget saying that the budgeted operating expenditures are down 1.3% over last year. She said that the capital budget lines items decreased significantly because the Library completed a major renovation and said that the upcoming fiscal capital projects will include a new telephone system, an elevator upgrade, security cameras, and exterior signage updates. Ms. Nelson stated that the Library services 2,500 patrons per day, and has the standing of being the 1st or 2nd busiest freestanding Library in America. Discussions continued regarding some line items, realignment of staff members, and the increased payment of fines due to the new fine structure that was put into place. The Board commended the Library for doing a great job and with their unparalleled customer service.

TRUSTEE SCALETTA MOVED, SECONDED BY TRUSTEE SIDOR, THAT THE COMMITTEE-OF-THE-WHOLE RECOMMEND TO THE BOARD OF TRUSTEES THAT THE BOARD ACKNOWLDEGE WITH THANKS THE PROPOSED FY2014 BUDGET FOR THE ARLINGTON HEIGHTS MEMORIAL LIBRARY FUND. The motion carried unanimously.

6. Building & Health Services Department

Director of Building & Health Services James McCalister started by highlighting some items for Building Services saying that their proposed budget came in $2,700 under the ceiling and that they have one capital outlay request for a copier. He stated that since July 2011 when a Plan Reviewer with an International Code Council master code professional certification was hired, the average number of days to review commercial and multi-family plans had been reduced from 13 to 4 days. He went on to say that although the number of permits issued decreased by 9% and licenses issued by 10%, the total fees collected had increased 27%. Mr. McCalister stated that the 2012 revenues for Building Services were about equal to their operational budget.

Mr. McCalister stated that the Health Services proposed budget is $2,000 under the ceiling and that the Senior Services is at the ceiling and said both divisions do not have any expanded budget or capital outlay requests. He said that there has been a 15% decrease in the nursing in-home visits and said that clinic services experienced a 15% increase due to participation in community events. He mentioned that Health Services received its second Medical Reserve Core Capacity Building Award in the amount of $4,000. Mr. McCalister said that the proposed budget for the Solid Waste Fund (SWANCC) shows an 8% decrease. He noted that the overall refuse collection shows a decline of about 1,875 tons for single family, and 354 tons for multi-family, and said that since incorporating the use of recycling carts in April of 2011, the overall single-family recycling rate has increased by 10.4%. Discussion took place regarding possible mandatory recycling carts in the future and with the difficulty of use of them for some seniors.

Trustee Hayes asked why there was a decrease in the Training line item for Building Services. Mr. McCalister explained that over the last three years some funds were not used, so he removed them, and said that training has not decreased. Trustee Hayes stated how important he thought continued training is.

Trustee Rosenberg asked what the Other Permits were in the Building Services Performance Measures and why they nearly doubled from the previous year. Mr. McCalister stated that they include smaller jobs such as patios, decks, and sidewalks, and that more permits were issued for them. Trustee Rosenberg also questioned the number of re-inspections for fire safety. Fire Safety Supervisor Paul Butt said they were done because of non-compliance and said that they work with business owners to gain compliance before issuing them citations. Trustee Farwell said habitual re-inspections cost the Village money and talked about the possibility of charging re-inspection fees when there is no compliance, and thought that it should be monitored. Deputy Director Chuck Kobus stated that re-inspection fees are charged for building inspections, but not for fire inspections. He explained that sometimes it is costly for business owners to become compliant, and that time is given for them to come up with money to make the changes that are required. Discussions continued regarding various performance measures and line items for the Building and Health Services Department.

Trustee Scaletta commended Mr. McCalister on his proposed budget and his department for being able to do more with less and for the "can do" attitude from all his staff in getting things done. Mayor Mulder told Mr. McCalister that his team of people has done an amazing job in dealing with the public.

TRUSTEE <u>SCALETTA</u> MOVED, SECONDED BY TRUSTEE <u>FARWELL</u>, THAT THE COMMITTEE-OF-THE-WHOLE RECOMMEND TO THE BOARD OF TRUSTEES THAT THE BOARD APPROVE THE PROPOSED FY2014 BUDGET FOR THE BUILDING AND HEALTH SERVICES DEPARTMENT. The motion carried unanimously.

7. Performing Arts at Metropolis Theater

Executive Director Charlie Beck gave an update of the past year for Metropolis saying that there has been a 25% increase in the audience members over the prior year, that they have a stronger accounting system, have had community engagements with the Chamber and with the Library, and have a good School of Performing Arts. He also said that this past year the Metropolis, didn't have enough shows signed up from new ventures, didn't have enough funding for marketing efforts, and had lower donor support. Mr. Beck continued by saying that the message that has been made clear to him is that the Metropolis needs to live within its means, and that next year's plan is to make sure that they are able to deliver a solid level of performance with a better eye toward profitability and of the bottom line.

Mr. Beck introduced Metropolis' Board President Joe Lynn. Mr. Lynn stated Metropolis needs to get a clearer vision of where they are and where they are going. He said that through the efforts of Mr. Beck and staff, they are taking a look at the accounting system and said an accomplishment this past year was in providing quarterly reports to the Village Board. Mr. Lynn went on to say that the Metropolis Board is going through changes and that they are looking for people who have a vested interest in the success of this organization and who have a true business sense. He explained that in order to survive, tough decisions were made and some staff had to be dismissed.

Trustee Rosenberg questioned the low gross margin for the music school. Mr. Beck said it is primarily labor cost and that in the past they did not categorize the faculty in the school of music as a cost of goods and that it was lumped in to the overall payroll for the organization. Trustee Rosenberg asked if there was a way to expand the music program in order to help subsidize some of the shows that don't do well. Mr. Beck stated that they are trying to build up the music school and have introduced a choral program. He also said that a School of Performing Arts Advisory Board was created and that they are talking about possibly supplementing instruction for school districts and creating a jazz program. Mr. Beck stated that there is room to grow for individual instruction but that space is an issue.

Discussions continued regarding competition from other area theaters, with the types of shows that have been successful, with smarter programming and target audiences, and with better negotiations with artists. Mr. Beck said that booking transfer shows would help get production costs under control because they have already been produced and the costs of sets and costumes have already been paid for. He added that moving forward, Metropolis needs to be smart about how they produce their own shows in order to be successful. He did say that 80% of next year's shows have been booked.

Trustee Breyer stated that Metropolis helps bring people Downtown and asked if constraint on capacity is a problem. Mr. Beck said capacity is a long-term issue that needs to be addressed and that their Board would have to do major fundraising to raise the kind of money needed to expand the theater's interior and to increase the number of seats to book venues that attract larger audiences. He also added that there is a limit on what people will spend to attend a show.

Trustee Glasgow asked a member of the audience if he was taping the meeting saying that it appears as if his camera was moving back and forth. The gentlemen stated that he was not filming the meeting.

Trustee Farwell told Mr. Beck that he felt that he hit a lot of his goals and asked if there would be a market to renting out the theater on weekday nights when there are no shows. Mr. Beck stated that as a non-profit organization, Metropolis could not be a landlord but said that there can be space sharing opportunities, which can include participation of the Library for book signings and lecture series' for example, and with program possibilities with other organizations that have a common mission. Mr. Beck said Metropolis is great in the performing arts and in the educational world, but that long-term he believes Metropolis should have a place for the visual artists and exhibition opportunities. Trustee Farwell thought that because the Village is landlord, that staff can discuss the possibility of renting out the theater on dark nights with the proceeds going back into the A E & E fund to help subsidize its future.

Trustee Scaletta said that the Metropolis has had some successes and challenges with the in-house shows and asked Mr. Beck if he was going to balance those to make sure they are more profitable. Mr. Beck said that costs of production was getting out of hand because Metropolis pays its actors well compared to other non-union houses in the Chicago market. He said labor costs need to be scaled back. Discussion continued regarding bar service during shows and with maintenance areas.

Trustee Glasgow stated that the quarterly reports received this year from Metropolis were very helpful and asked Mr. Beck if the view of the new accounting method for Metropolis was more accurate than previously. Mr. Beck said without a doubt. Mr. Kuehne added that Metropolis was asked to work with outside auditors who completed agreed upon procedures in order to verify the numbers the Village has been receiving, and he said that the numbers were confirmed accurate by the auditors. Trustee Glasgow asked Mr. Beck what he thought the economic impact of Metropolis was on the Downtown area and the community. Mr. Beck answered that with the current level of operations it is about five million dollars, and continued by giving an overview of some of the shows that were booked.

Trustee Glasgow said that he believes that the arts are the cornerstone of civilization and said that Metropolis has a very solid school and that the shows that will generate money for the village. He asked Mr. Beck what his view was for the future. Mr. Beck said that it has been a challenge for Metropolis to live within it's means and said that the school does well. He said they are thinking of things to add to the school in order to help offset costs, that they will keep staff low, and will try to do the right configurations of presented shows without over-extending themselves. He said there are about 277 performances scheduled next year that will bring good traffic to Arlington Heights which will help support the restaurants. Trustee Glasgow thanked Mr. Beck for all his hard work and said his commitment to the community is appreciated.

Trustee Blackwood said she supported the Metropolis' business plan last year and that she thought this year's business plan should be more flexible when planned programs look like they are not going to work. Trustee Blackwood stated that the Village is a landlord who is issuing subsidies to its tenant and said that the Village has a vested interest in the Metropolis and thought that space sharing should be done every chance it gets. She said that she wants to make sure that it will not take another year to make sure what we are looking at now is not going to be replicated year after year. Mr. Beck said that Trustee Blackwood's points were valid and taken seriously. He explained that some programming was stopped early in the year when it was realized it was not working and said that they have been flexible. Mr. Beck explained why a certain amount of lead time is needed for the resigning of subscribers and explained how it is routinely monitored. Discussion continued regarding the future role of the Metropolis Board and its goal of increased participation in marketing. Trustee Blackwood said that she loves the arts and said that it is something that the Village wants to sustain, but it has to be economically reasonable.

Trustee Sidor asked about marketing. Mr. Beck explained that once an artist is secured they start with on-line promotions, then social media like Facebook and Twitter, followed by print media and radio, and then postcards mailed to targeted lists. He added that discount sites are used if needed in order to sell remaining seats. Mr. Beck continued by saying that the actors and directors are asked to actively blog and to maintain a presence on their Facebook pages as well. Trustee Sidor thanked Mr. Beck for his dedication and his desire for a more successful upcoming year.

Discussions continued regarding the possible use of grants and with show sponsorships. Mayor Mulder said that the arts are an important part of life and that there are a lot of supporters of Metropolis in the community, and said that the doors are open for any ideas from the residents.

TRUSTEE GLASGOW MOVED, SECONDED BY TRUSTEE HAYES WITH COMMENT, THAT THE COMMITTEE-OF-THE-WHOLE RECOMMEND TO THE BOARD OF TRUSTEES THAT THE BOARD APPROVE THE PROPOSED FY2014 BUDGETED SUBSIDY FOR THE PERFORMING ARTS AT METROPOLIS THEATER. The motion carried unanimously.

Trustee Hayes concurred with Trustee Glasgow's comments regarding the value of the Metropolis Performing Arts and said that a wise decision was made, when the Village bought the Metropolis, to stay out of management and theater business. He said that he was very comfortable with what he has heard tonight in terms of focusing on the programming that is profitable, and said he looks forward to Metropolis being a vital and important part of the community for many years to come.

Trustee Glasgow said that the Board is the steward of public funds, and said that what the Board does in the budget process is the one of the most important things they do. He finished by saying that time and effort is required in this process and noted that no other Mayoral candidate besides Trustee Hayes has attended the budget hearings to listen to what is being said.

8. Other Business

There was no further business.

9. Adjournment

There being no further business to discuss,

TRUSTEE SCALETTA MOVED, SECONDED BY TRUSTEE GLASGOW TO ADJOURN THE MEETING AT 10:07 P.M. The motion carried unanimously.