

APPROVED MINUTES  
VILLAGE OF ANTIOCH  
BOARD OF TRUSTEES; SPECIAL COMMITTEE OF THE WHOLE MEETING  
Antioch Senior Center: 817 Holbek, Antioch, IL  
May 24, 2010

**I. CALL TO ORDER**

Since Mayor Hanson was running late for the meeting due to work, Attorney Long called May 24, 2010 special committee of the whole meeting with the Board of Trustees and Antioch Senior Center Council to order at 6:40 p.m. in the Antioch Senior Center: 817 Holbek, Antioch, Illinois.

Trustee Sakas moved, seconded by Jozwiak to appoint Trustee Crosby as Chair for tonight's meeting. Upon voice vote: All Ayes. No Nays. **Motion Carried.**

**II. ROLL CALL**

Roll call indicated the following Trustees were present: Poulos, Sakas, Crosby, and Jozwiak. Also present were Administrator Keim, Attorney Long, Senior Center Director Paul Howard and Clerk Rowe. Absent: Mayor Hanson, Trustees Pierce and Wolczyk. Antioch Senior Center Council members present were: Virginia Howard, Dorothy Longly, Dorothy Stark, Dorothy Furman, Susan Anderson, Harry Stewart, John Pecci, Rollie Pedersen and Dee Samson.

**III. REGULAR BUSINESS**

**1. Antioch Senior Center Funding Discussion** - Trustee Crosby discussed the previous meeting where the Antioch Senior Council offered a loan of \$50,000 if the Village Board saw fit to pass the utility tax, which subsequent to that the utility tax was approved. He said that some things have happened between then and now that he knows was not expected and probably distasteful to the folks at the Center. He said some of the Board members were also surprised about the use of \$50,000 which was offered, and what should have happened is that the Village should have report back to the Senior Council and have a written document in place prior to moving the funds. He said that should be one of the first items that need to be resolved and he reinforced the fact that there is no intent on the part of the Village to step in and take funds arbitrarily from the Senior Center. He said that was not the intent and he assured Senior Council members that it is not the intent going forward. Trustee Crosby said that all is concerned about maintaining a solid relationship with the seniors and the Center, and he discussed that Paul Howard suggested that a liaison process be implemented. Trustee Crosby said that he and Trustee Jozwiak will be attending their Senior Council monthly meetings either together or alternatively if one of them is not in town. He said that he hopes this shortcuts the potential for misunderstandings to occur.

Trustee Crosby said that he would like to get everything on the table and talk about processes going forward so that everyone has a renewed understanding and agree on how to work together more effectively, have a better control of the funds and to make sure that we have the very best possible working relationship that we can have. He said that he believed this is Mayor Hanson's, Board of Trustees, Administrator and Attorney intent.

Attorney Long said he's had a number of discussions with Senior Council members and there are just a few things from a legal perspective that need to be resolved. He said there are many more things from a practical perspective. He said the legal perspective that he's talking about is having some method for accounting for the money coming in and expended out that meets the standard requirements for municipal accounting. Attorney Long said the second part of the problem that he saw was that the resolutions that we have in place, although well-intentioned, we should have some better guidelines and rules so we don't end up with any more misunderstandings. Attorney Long said one of the ideas previously discussed was a way to encourage additional contributions that may be gifted to the Center. To do that, there should be some kind of corporate structure set up, whether it's called a foundation or not-for-profit organization. Attorney Long discussed the practical issues such as the exact relationship of the Senior Council and the stewardship of this building, facilities and sponsored programs. How much funding should the Village put into the facility and who should be paying for the salaries. He said that the Mayor, Board of Trustees and Administrator want to see a way to make this work long term and that the money last as long and does the most good that it possibly can while still meeting requirements of the law.

Senior Center Director Howard said that the checking account is a primary concern and needs to be resolved so there is no confusion regarding funds in and/or out of the account. He said the senior center can be taken care of in any fashion whether that through finance department practices or credit card and he felt that could easily be solved. He also said that how and from what fund senior center director's salary is paid must also be decided. Director Howard said the Senior Center Assistant salary is already paid through the Spiering account since August, 2008.

Director Howard discussed the Senior Council and said this is the group that has done the stewardship of the Dolly Spiering fund for the past seven years and they have done a phenomenal job. He said, probably most important to the Senior Council is that they know best on how the funds should be used and they want to be the ones that make the decisions on how best to use those funds. He

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briefly discussed all of the items they have accomplished and keeping a good balance in that account. He said one of the areas regarding expenditures that came under question is that the Council sends donations to Open Arms, high school senior scholarships, swim team, boys and girls scouts. He explained that Attorney Long mentioned at an earlier meeting, that he wasn't sure that these donations were appropriate within the context of the will.

Senior Council member Dorothy Furman asked if the Board members had any resolutions to the suggestion that have been offered. Attorney Long explained they haven't because the Village Board is just now meeting tonight to discuss the suggestions with the Senior Council members. He further explained the Opens Meeting Act that the Village Board must follow. He further said that he was very impressed with the information Senior Council members prepared for the meeting.

Senior Council member Dorothy Furman said the Senior Council has been in existence for many years, governing the senior center. She said that she had the distinct feeling at the last meeting they had with Attorney Long that the Board considered the Senior Council as 'non-entity'. She said the Council members would really like this addressed because they do not want to be a 'non-entity'. Trustee Crosby said that if the Village Board felt that way, they wouldn't be meeting tonight. He said Board members feel that we are a team working together to try to resolve any misunderstandings. DC – don't feel that way – if did; we wouldn't be here tonight.

Trustee Poulos asked if there was anything legally or official set up to make the Senior Council a separate entity, and if not, than legally if its part of the Village then everything should be subject to the same accounting procedures as the rest of the Village. He discussed his experience at College of Lake County that has a foundation established. He said all expenditures go through the same process through the college's business office and approval process. He said that when donations are made, the business office does all the accounting. He also discussed, as Attorney Long previously mentioned was the ability to write off donations made to charitable organizations.

Senior Council member Dorothy Furman asked how we get to that point. Senior Council member Harry Stewart said that he doesn't want to see the center's operations change, they are satisfied with the how the Village maintains the building and programs.

Trustee Jozwiak said that was very important for him to be at tonight's meeting and whoever drafted the information that was distributed helps him understand the background and he really appreciated that. He said that it's not the Board's intent is to get the know what the Senior Council members think they need and then figure out how we can get it done.

Senior Council member Dorothy Furman said they would like to be a legal entity and there's question about cooperating with the Village; they would like to have some authority. Attorney Long said that he didn't believe there would be a problem setting it up that way and that is what he was trying to explain at earlier meetings. He apologized for any miscommunication or misunderstanding that may have occurred.

Senior Council member Harry Stewart asked about the memo's sent to the Board and they are waiting for a reply. Trustee Jozwiak said that is why it was important for us to set up tonight's meeting. Senior Council member Harry Stewart said he would like to hear what the Village Board members thought.

Trustee Sakas said that he thinks of this in two ways; one is the on-going annual maintenance standard expenses such as salaries, building and ground maintenance and utility expenses which he believes should be part of the budget process. He said that he sees the Senior Council making the decisions on the discretionary items such as the donations, scholarships and would be more appropriate for a foundation board. He explained that once done, it would be more formalized and record meetings and action taken would have to be done regularly. Council members said they have a wonderful secretary who is very good at keeping their records and meeting notes. Trustee Crosby said that he understood that the Senior Council members are not opposed to making this a more formal structure. Council members indicated they were not; they just want to determine what that structure is exactly.

Trustee Jozwiak briefly discussed some his concerns when fund are gone and what would happen to the senior center.

Senior Council member Dorothy Furman said they had \$1.5 million and after seven years, they have almost \$1 million remaining. Senior Council member John Pecci said the interest they are getting off of the CD; they stay within their budget and have enough for operations. He said they would be fine on their own, but now the Director's salary is being taken out of that.

Trustee Crosby said from his perspective, his first concern that we're making sure that the Village doesn't put any surprises on the Center and that Senior Council has a pretty well functioning organization and if you refer to an old adage, that you don't fix what isn't broken is probably a good idea too. He said that we do need to formalize the Center so that it won't create a problem in the future. He

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said that if the 501K can be established that would perhaps give the Senior Council an opportunity to solicit funds in a different way.

Senior Council member Dorothy Furman said that she didn't believe they want to solicit funds for the Center. She said that they get unsolicited donations, and she doesn't believe that they would have to solicit for funds in the future.

### **Mayor Hanson arrived at 7:09 p.m.**

Trustee Jozwiak asked why the salary changed. Administrator Keim said that he couldn't find any documentation, probably in May 2005 when the change occurred. He said that as the business manager, there are operational costs and he's struggling on many levels to meet the operating costs throughout the village due to revenue shortage. He said the village has very little money for capital and we can with current revenue streams do day to day operations. He said the senior center is kind of in the opposite situation, they have a lot of money set aside for capital expenditures, but don't cover day to day expenditures. He is looking for clarity on what that fund is for and how he covers village expenses in general. Administrator Keim said that he likes what is going on at the Senior Center, but there could be a time when the funds run out. Senior Council member Dorothy Furman said that a lot of the money went toward the addition at the center.

Trustee Jozwiak asked how much donation funds come in. Council members said they just record it; but they don't have the exact number.

Administrator Keim said there are only two sources of funding for the center, the Village general fund which is under duress and the Dolly Spiering money which is controversial and it is not clear if that fund is intended for salaries or not. He said there is a struggle to pay for everything this village is doing and he came to Council in October and told them point blank we're having a hard time and asked if he could use some of the Dolly Spiering fund to help continue the operations of the Center. Senior Council member Dorothy Furman said that she thought they all agreed that they didn't mind the Director's salary coming out of that fund; the day to day building expenses shouldn't be paid by them. The village owns the building. Administrator Keim said they haven't been and the arrangement could be that the village continues maintaining the property and whatever administrative services it takes to run the Center.

Trustee Sakas said that a loan from the Dolly Spiering fund is like borrowing from the same source and he discussed the problems from past when funds were used from another source. He also discussed the Village's general fund budget decisions and cutting village expenses and borrowing from the Spiering fund just didn't seem to make sense to him. Senior Council member John Pecci said that the utility tax funds would be coming in. Administrator Keim explained that the gas and electric utility tax funds have started coming in as of April, but the largest component of that, telecommunications, won't begin until this fall. Senior Council member said there is no different than if the Village went to bank; what's the difference if you the funds from a bank or from the Spiering account. Trustee Poulos tried explained that the Antioch Senior Center is the Village.

Attorney Long discussed the circumstances of when the Dolly Spiering Will was drafted and the attorney may not have realized how much money was in the estate. He explained that no matter what should have happened when the Will was drafted, we are still in the same place and need to create direction and that is why the two groups are meeting.

Trustee Crosby said there are several things going on and he heard clearly that the \$50,000 was offered as a loan, we were surprised and grateful by the offer and that the senior would recommend a utility tax because that puts a burden on all of them. He said that his opinion is that was a loan that should be repaid. The other items need to be handled. Senior Council member Dorothy Stark said the Council didn't hear back from the Village and only found out when they reviewed their bank statement. There was a discussion regarding the \$50,000 and Administrator Keim said that we have continued to take the Director's salary from the Dolly Spiering fund. Trustee Crosby said that he doesn't think it was the Administrator's intent to create the negative feeling that occurred and that he's doing a good job. Senior Council members agreed and said this was a severe misunderstanding.

Senior Council member Stark said that formalizing the \$50,000 offer in writing is all that they wanted.

Mayor Hanson asked Director Howard to discuss the history of the Center in the late 1999.

Director Howard discussed the history regarding the Catholic Charities, when he was hired by the Village and the Dolly Spiering fund. He said he was an employee of Catholic Charities and he ran the Center and the Village paid all the building expenses. He said that his salary was taken from the Spiering fund until 2005.

Mayor Hanson said that his goal is figure out how we honor Dolly Spiering ten to twenty years from now and we need a structure in place.

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There was a brief discussion regarding the annual costs to run the Center with Administrator Keim saying that ballpark figures are approximately \$150,000 to \$175,000. Trustee Sakas said that once the line items are identified, we could better determine how long the Spiering fund may last.

Those present also discussed the differences between Village and Township statute requirements and tax laws. It was the consensus of those present to accept the \$50,000 as a loan to be paid back in three years.

Attorney Long will formalize the following items with the consensus of those present:

- \$50,000 loan repaid to the Dolly Spiering fund over three years
- Set up as not for profit with appropriate tax status
- Accept proposal as presented in the agenda packet beginning with the May 1 fiscal year
- Finance department will work with Director Howard regarding deposits and expenditures.

### **IV. Other Business**

No report.

### **V. CITIZENS WISHING TO ADDRESS THE BOARD**

There were no citizens present in the audience who wished to address the Board at this time.

### **VI. ADJOURNMENT**

There being no further discussion, Trustee Crosby moved, seconded by Trustee Jozwiak to adjourn the Special Committee of the Whole meeting at 8:27 p.m.

Respectfully submitted,

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Candi L. Rowe, RMC/CMC  
Village Clerk