



COLLINSVILLE AREA RECREATION DISTRICT

www.CollinsvilleRec.com

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## **REGULAR MEETING MINUTES OCTOBER 15, 2013**

The Regular Meeting of the Board of Park Commissioners of the Collinsville Area Recreation District was called to order by President Dave Tanzyus at 6:30 PM, October 15, 2013 at the district office, 10 Gateway Drive, Collinsville, Illinois.

Following the Pledge of Allegiance the roll was called with the following commissioners answering present: Mark Achenbach, Mary Ann Bitzer, Patrick Collins, Jeanne Lomax, and David Tanzyus.

Staff present included Executive Director Terry Wilson, Finance Coordinator Iva Briggs, Aquatic Supervisor Karl Schmidt, Park Specialist Pete Peterson, and Administrative Assistant Susan Zaber. Attorney Paul Evans was also present.

### **PUBLIC HEARING FOR THE ISSUANCE OF \$1,425,000 GENERAL OBLIGATION PARK BONDS:**

Dave Tanzyus read the Order calling a public hearing concerning the intent of the Board of Park Commissioners of the Collinsville Area Recreation District, Madison and St. Clair Counties, Illinois, to sell \$1,425,000 General Obligation Park Bonds. After reading the order he stated the ordinance would be adopted at the next regular meeting in November.

- Joe Ashmann stated he thought it was horrible the Board was going to put them \$1.5 million more in debt. Mark Achenbach explained what the bond was for, that they didn't have a choice, and it was not increasing the debt.
- Jim Sparks asked when you offer up paper and people come and give you cash for that paper, and it gets spent, how it got replaced. He asked if that wasn't debt that was added to the system. Mark Achenbach explained more debt was not being incurred, even though the Board was taking on additional debt. He stated the money they were bringing in was making payments on three bonds that already existed and did not increase the total debt of the District. He stated that was how the law was written and the way they had to do it. Patrick Collins agreed if the District had not taken out loans in 2004, 2007, and 2010 they wouldn't have those bonds. He stated they were rolling them over into a lower interest rate. He stated they were obligated to pay the bonds and they were financing them at a lower interest rate, and in the end would save money.
- Phil Astrauskas asked for assurance the 2014 taxes would not be increased by the Park District. Dave Tanzyus stated the levies would go down, because they just had a referendum on the ballot. Mark Achenbach again explained how rollover bonds worked.

- David Amsted stated they were going to take a loan to pay their loans and asked if there were any other options. Dave Tanzyus stated they looked into it and there weren't any other options, but they continued to look for ways to find less expensive ways to do it.
- There was additional discussion and explanation provided regarding the bonds and how they can and cannot be paid.

When the discussion was complete, the bond hearing was closed and the Board continued the regular meeting.

**PUBLIC COMMENT FOR REGULAR MEETING:**

- Joe Ashmann addressed the Board regarding signatures he assisted in collecting for petitions. He stated he turned over two hundred signatures to Mark Achenbach for the petition. He stated he did it because he liked Mark, and he felt Mark knew more about CARD and anything going on there more than all of them put together. He asked who benefited most from that and answered Joe Ashmann benefited the most from collecting the signatures. He stated meeting those people that put their signatures on the petition, they wanted in their way to say they knew CARD was out of control and just like him they thought it was crazy. He stated those people overwhelmingly approved the reduction. He stated under New Business the Board wanted to talk about the levy of a direct annual tax and asked if that wasn't a poke in the eye to those people that signed the petition to get the taxes reduced. He stated if that proposal was on the ballot they would know the results, the people wouldn't go for it. He stated to Terry Wilson that he commended his staff for reducing programs for not being cost efficient and stated that was what they were about. He stated Terry asked the Board repeatedly for direction. He stated the direction the tax payers wanted him to take was the District had money coming in and they wanted him to use that and only that, to take the necessary adjustments to stay within that amount, to reduce the debt and not increase it. He stated they wanted him to reduce the holdings, if that was necessary. He stated no one left Collinsville because CARD handed over the Miner's temple back to the Miner's Institute. He stated everyone knew Pleasant Ridge Park was promised to Maryville, to put it on the market, and no one was going to move out of Maryville or Collinsville because they gave up that loser. He stated the same for the golf course. He stated he was sorry the Board wasn't telling Terry the same thing.
- Jim Sparks stated it was his two year anniversary attending CARD meetings. He referenced a meeting in April when Andy Carruthers gave him credit for personal input he gave, along with approximately ten others. He stated he and Andy had a discussion one time about his feelings towards how he wanted to see money spent, where it came from, how it was to be spent, what to do and what not to do. He stated when nothing was said last April he waited for the next meeting and he thought Andy would offer up to the commissioners a proposal, to where the commissioners would have an opportunity to vote on it, then see if they would go ahead and draft something that was along the lines of what he was asking for. He stated what he was primarily asking for was to think of the tax payer, don't spend anymore money than what was being levied, stay within their means, don't borrow more money, and keep a reserve of cash. He stated he would accept the fact that they were where they were at and he didn't have to state his position,

because he had been very consistent with it and stated it many times. He stated he was looking at the future and what they were looking at was doing the same thing all over again, and what he was asking people to do was to give that some serious thought and try to back off on the CARD District. He referenced the second meeting when Mark Achenbach was a seated commissioner and a discussion about Pleasant Ridge Park and Mary Ann Bitzer stated she thought they were still on the first phase of it, etc. He stated they did not have enough money to continue doing what they had been doing with all the entities CARD had, and they had to borrow money that was going to be paid for decades.

- Don Koonce stated in politics you always follow the money trail. He stated he voted in every election and there were two votes he would love to take back, one was to create the CARD District. He stated never in his wildest dreams did he think he would own a golf course, a wading pool, and go to a farm where he could be shown how grass, etc. was grown. He stated now that they had a full board it was time to find out how they got to these events and purchases, and how they got in this mess. He stated there were a lot of unanswered questions that needed to be addressed and answered publicly.
- Phil Astrauskas stated there was still anger amongst the tax payers who wanted to be assured that that Board they helped get on would try to be as conservative as possible, and reward the tax payers for the debt they incurred.
- John Nieman stated he would like to know CARD's total long term debt, the amount of interest charges on the debt, how much CARD's debt had been reduced in the last three years, and the plan by the Board for paying off the debt.
- Commissioner Lomax asked if on the bonds if extra principle was allowed to be paid. Attorney Paul Evans stated part of the deal that government allowed them to issue their own debt, cheaper than going to a bank, was following the rules and the rules were that someone who was willing to give the District money knew they had a guaranteed income stream for that many years out. He stated being in Illinois Parks Districts had a unique set of funding requirements and operated differently than other governmental bodies. He stated part of the issue was in exchange for the District being allowed to get money cheaper by issuing their own bonds, they were stuck with following the rules and that was the scheduled stream of payments are paid when they were told.

### **CONSENT AGENDA:**

A motion was made by Patrick Collins, seconded by Jeanne Lomax to approve the consent agenda to include special meeting minutes for July 30 and September 9, 2013, regular meeting minutes for September 17, 2013, closed session minutes for September 9, 2013, the Treasurer's report for September 2013, and the Claims and Accounts list in the amount of \$299,794.78.

- Mark Achenbach addressed a correction that needed to be made to the meeting minutes for the regular meeting on September 17, 2013.
- Mark Achenbach referenced the social security account and asked a question regarding the need to make transfers for accounts showing a negative. Iva Briggs stated they were no longer making transfers to and from accounts and the account would continue to show a negative until the taxes came in. There was discussion about funds, transfers, current practice, etc. Mark Achenbach stated his question was did they as a Board have a

responsibility to show, at least temporarily, that a payment from another fund was authorized. Dave Tanzyus stated by virtue of the Board passing the budget they gave some authorization to the staff to make things happen, as long as at the end of the day everything lined up. He stated the concern was that if the staff had to go back they were going back to the old ways and the old ways were not good. Paul Evans stated that any one of the columns/funds throughout the year could have a negative and the District would not be in violation. He stated the District assigned arbitrary categories for their own record keeping and the fact that one was showing a negative at that moment did not mean the District was taking money where they weren't supposed to.

- Patrick Collins asked about expenses paid to Ameren listed on the Claims and Accounts report. Iva Briggs stated one was to Ameren for the lines and the other was to Ameren Energy for the power. She stated if you added it up the District was saving quite a bit of money by doing it that way from what was paid before.

Upon roll being called, those voting AYE were Achenbach, Bitzer, Collins, Lomax, Tanzyus. None voted NAY. Motion passed.

### **EXECUTIVE DIRECTOR/STAFF REPORTS:**

Terry Wilson read from staff reports and stated:

- He had been working on bond restructuring and trying to save money.
- Working with the staff on capital improvement items.
- Had Fall Farm Day on October 5<sup>th</sup> with an estimated 1200 – 1500 in attendance. In two months the farm brought in approximately \$10,000 in revenue from scheduled weddings.
- Winterized Splash City.
- With money from the PEP grant put rubberized mulch at the Jaycee play ground.
- Worked on improvements at Morris Hills Park.

Karl Schmidt stated:

- They were working on a couple new projects for the Spring, to include getting some cabanas and new amenities to try and bring in more revenue, permanent structures where they had tented structures in the past, e.g. the pump facility, putting in solar power through a grant to help offset overhead costs, other grants for high efficiency lighting, etc. to help lower energy expenses.
- Mary Ann Bitzer asked about the concession stand and the length of the contract. Terry Wilson stated a ten year contract was signed and the current contract was up in 2016.

A motion was made by Mark Achenbach, seconded by Mary Ann Bitzer to accept staff reports. Upon roll being called, those voting AYE were: Achenbach, Bitzer, Collins, Lomax, Tanzyus. None voted NAY. Motion passed.

### **NEW BUSINESS:**

Regarding Ordinance 13-3, Terry Wilson stated the ordinance was to refund bonds from 2004, 2007, and 2010 through 2021, and they were hoping to get a more likeable interest rate. He stated they only went eight years because they were told by Stifel Nicolaus that most banks will only go out 7-8 years. He stated what the agreement said was they wanted to move forward with the refunding. He stated the bids were out to the banks till October 25<sup>th</sup>, they had to get a savings of at least 3%, and the savings was projected to be approximately \$30,000 per year. He

stated they were trying to do anything possible to save money and that was one way to do it. He stated there was still the question of what would come back, and if it was less than 3% they weren't going to do it. Mark Achenbach made a motion, seconded by Patrick Collins to adopt Ordinance 13-3, An Ordinance providing for the issue of not to exceed \$3,075,000 General Obligation Refunding Park Bonds (Alternate Revenue Source), Series 2013, of the Collinsville Area Recreation District, Madison and St. Clair Counties, Illinois, for the purpose of refunding certain of the District's outstanding General Obligation Bonds (Alternate Revenue Source), Series 2004, and the levy of a direct annual tax sufficient to pay the principal and interest thereon, and the payment of certain of the Series 2004 Bonds in advance of their maturity. Upon roll being called, those voting AYE were: Achenbach, Bitzer, Collins, Lomax, Tanzyus. None voted NAY. Motion passed.

Regarding the Annual Financial Report, the discussion was tabled till a Special Meeting could be scheduled and the auditing group Hughes & Associates was available to present the information and answer questions.

Regarding the agenda item Identity Protection Policy a motion was made by Mary Ann Bitzer, seconded by Patrick Collins to accept the Identity Protection Policy as presented. Upon roll being called, those voting AYE were: Achenbach, Bitzer, Collins, Lomax, Tanzyus. None voted NAY. Motion passed.

Regarding Capital Improvement, Terry Wilson referred to a list provided to the Board of his suggestions for review and discussion. He provided detail about some of the projects listed and stated he was in a meeting with the head person of Unit 10 Vocational Center where he talked to the individual about club house repairs needed at the golf course, as a possibility. He stated another project was a concrete drive way at Willoughby Farm, which scheduled the first week in November, and being paid out of the money left in the Paving and Lighting fund. He stated in the mean time Collinsville Township did a roto mill project and asked if the District could use some roto mill. He stated the roto mill was being used to expand the Willoughby parking lot, for free, and used as a base in the case the District tried to get a grant to black top it. He stated the roto mill was also being used down the road for the back entrance. He stated everything else on the list were suggestions for priorities of things to do, if they could. He referenced the side lot next to the administrative offices, and owned by the District, and briefly described the idea of a fitness trail with a play ground. He stated he thought a pedestrian bike bridge at Pleasant Ridge Park was a mistake. He stated they did a pavilion at the park, and bathroom that was already over used. He stated if they did any improvements, he would put in another pavilion, but if you put in another pavilion you double the use of the bathroom that was already over used. There was additional discussion about projects, the need for updated signage, branding issues, etc.

#### **FOR THE GOOD OF THE DISTRICT:**

Terry Wilson read from a credential certificate provided by the IPDA and asked the Board if anyone wanted to be a delegate of the IPDA and attend the January meeting.

Mark Achenbach stated he thought the event at Willoughby Farm was fantastic.

#### **OTHER BUSINESS:**

A motion was made by Mark Achenbach, seconded by Mary Ann Bitzer to go into Closed Session for the purpose of discussing the sale or purchase of real property, potential litigation, and to review closed session minutes. (5 ILCS 120/2(c) 5/6/11/21)

The Board adjourned to CLOSED SESSION at 8:12 PM.

The Regular Meeting of the Board of Park Commissioners of the Collinsville Area Recreation District was called to order in OPEN SESSION by President David Tanzyus, October 15, 2013 at the district office, 10 Gateway Drive, Collinsville, Illinois. Upon roll being called the following commissioners answered present: Mark Achenbach, Mary Ann Bitzer, Patrick Collins, Jeanne Lomax, and David Tanzyus. Staff present included Executive Director Terry Wilson and Administrative Assistant Susan Zaber. Attorney Paul Evans was also present.

A motion was made by Mark Achenbach, seconded by Dave Tanzyus to approve minutes of the closed session as presented in the motion. Upon roll being called, those voting aye were: Achenbach, Bitzer, Collins, Lomax, Tanzyus. None voted nay. Motion passed.

No further business coming before the commissioners, a motion was made by Mary Ann Bitzer, seconded by Patrick Collins that the meeting be adjourned. Upon roll being called, those voting AYE were: Achenbach, Bitzer, Collins, Lomax, Tanzyus. None voted Nay. Motion passed.

The meeting stood adjourned at 9:13 PM.

Respectfully submitted,

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Susan Zaber, Recording Secretary

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Date