

COLLINSVILLE AREA RECREATION DISTRICT

REGULAR MEETING MINUTES

APRIL 17, 2012

The Regular Meeting of the Board of Park Commissioners of the Collinsville Area Recreation District was called to order by President Mary Ann Bitzer at 7:05 PM, April 17, 2012 at the district office, 10 Gateway Drive, Collinsville, Illinois. Following the Pledge of Allegiance the roll call was called with the following commissioners answering present: Andrew Carruthers, Joan Burke, Spike Bryant and Mary Ann Bitzer. Commissioner Tanzyus was absent.

Staff present included Interim Executive Director Rick Robbins, Superintendent of Parks Kevin Brown, Marketing & Communications Coordinator Elizabeth Davis, Director of Business Rosemary Barczewski, Splash City Assistant Manager Craig Norrenburns, and Administrative Assistant Susan Zaber. Attorney David Gerber was also present.

PUBLIC COMMENT

James Sparks addressed the Board regarding Executive Director opening. He stated he was sure there would be numerous applicants, one of which would be the current Interim Executive Director, Rick Robbins. He stated his opinion was that Mr. Robbins would continue the mindset of Mark Badasch by using a method of tax, borrow, and spend beyond CARD's allotted annual budget. He referred to a FOIA submitted to CARD on 4/4/2012. He stated data showed that in September 2010 Mark Badasch granted Chad Robbins, Rick Robbins son, a three page employment contract. He then read information outlined in the contract and information about trainings and other expenses paid for the purpose of Chad Robbins becoming a PGA professional. He stated in February 2012 Chad was given a 2% pay raise, retroactive to May 2011, which was approved by Rick Robbins. He stated that because of the numerous facts he cited, Rick Robbins' actions fit the description of nepotism. He asked the Board to look at Rick Robbins history, and stated if the Board wanted more of the same Rick was their man. He stated he on the other hand offered CARD the opportunity to choose someone who volunteered his service for free, owned and operated a successful corporation, knew how to balance a check book, understood profit and loss, and believed in fiscal responsibility.

Joe Ashmann stated Miner's brought him to CARD 6 months ago, and he addressed the Board regarding past Board decisions made about Arlington Golf Course and Miner's. He stated in his opinion, even though the decisions made were legal, it was criminal the deal the tax payers got. He stated they ended with \$43 million in debt and counting. He stated with the resignation of the Director, their heroes Andy and Dave, with a little help could make CARD the ideal in government by the people, for the people. He stated it was hard to believe that an epiphany had taken place with the interim manager, because with the four people – the President, Spike, Rick Robbins, Joan Burke, sat silently all through the legal shenanigans that took place without saying a word. He stated even though they had a few victories under their belt, the citizens needed to stay vigilant about every aspect of CARD.

Mark Achenbach stated best are made based on complete and accurate picture of all the relevant facts. He stated he hoped everyone could agree that any data used by the District (outside reports, studies, etc.) accurately reflect reality. He stated the reports could not be shaped by how the District wished things were or shaded from the full and accurate accounting policies of the past. He asked if the Board had an independent appraisal of the property adjacent the Arlington Golf Course prior to the \$480,000 purchase offer, would they have made the purchase. He asked if the Board had a full and accurate report of the prospects for financial success of the golf course, would they have still gone forward. He asked the same of the District's involvement of Miner's. He stated he believed everyone there were good people who wanted to do the right, but they were too quick to accept less than complete data on some issues. He referred to public comments he made about Paving & Lighting funds being spent illegally, and stated how it was spent mattered because in addition to it being prohibited by the statute it went to the point of keeping full and accurate and honest picture of the finances of the District. He referred to electric and gas bills of Miner's, and costs of electric to run Splash City he stated were paid out of the Recreation and General Corp versus the Aquatic fund. He stated this was another way of keeping the true cost of things hidden from the public and the District. He stated the Board made bad decisions in the past and would again if the Board did not make it a priority to have a complete and accurate picture of the fiscal reality of CARD. He stated the Board needed to make it clear that any past policies of spreading or hiding costs must be immediately stopped, then commit to finding other debt areas where costs are not accurately assigned to the correct fund, take advantage of the upcoming audit to request from the auditors to give special consideration to finding and identifying areas where cost assignments are being done against statute or policy and finding areas where cost shifting either has occurred or was unclear and at risk, and lastly cost assignment functions must be institutionalized into written policy as opposed to personnel doing things the way they were done before.

Jeanne Lomax stated she wanted to reiterate that the tax payers expected the Board to be good stewards of tax dollars, and urged the Board to be diligent, considerate and cautious when it came to all expenditures, and that the tax dollars be spent in the most cost effective manner. She urged the Board to take into consideration the burden placed upon the tax payers by the taxing body. She stated when it came time to choose new leadership she hoped the Board would think long and hard about who would be the most effective leader.

A motion was made by Carruthers, seconded by Bryant, that the Minutes of the Regular Meeting held March 20, 2012 be approved and placed on file. Upon roll being called, those voting AYE were: Carruthers, Burke, Bryant, Bitzer. None voted NAY. Motion passed.

A motion was made by Bryant, seconded by Carruthers, that the Minutes of the Closed Session held March 20, 2012 be approved as printed. Upon roll being called, those voting AYE were: Carruthers, Burke, Bryant, Bitzer. None voted NAY. Motion passed.

A motion was made by Carruthers, seconded by Bryant, that the Minutes of the Committee-of-the-Whole Meeting held April 3, 2012 be approved and placed on file. Upon roll being called, those voting AYE were: Carruthers, Burke, Bryant, Bitzer. None voted NAY. Motion passed.

A motion was made by Carruthers, seconded by Bryant that the Treasurers Report for March 2012 be approved as printed and placed on file for audit. Upon roll being called, those voting AYE were: Carruthers, Burke, Bryant, Bitzer. None voted NAY. Motion passed.

A motion was made by Bryant, seconded by Carruthers, that the list of claims and accounts totaling \$222,219.25 be approved for payment. Upon roll being called, those voting AYE were: Carruthers, Burke, Bryant, Bitzer. None voted NAY. Motion passed.

In response to Commissioner Carruthers' request, the Board agreed to have staff present staff reports after the discussion portion of the meeting.

DISCUSSION ITEMS

The first item discussed was regarding future plans for Miner's Theater:

- Mary Ann Bitzer referred to the agreement between CARD and the Miner's Institute Foundation, and stated the Board really needed to read it.
- Rick Robbins also referred to the agreement and sketches that were a part of the planning process prior to the second building being built adjacent to it, which were potential options that could work. Details about the sketches were briefly discussed amongst Rick and the Board.
- Andrew Carruthers stated his position was Miner's had been there forever, but the problem for CARD continuing the project was the cost. He stated the District had about \$1.9 million for capital improvements. He stated those were the only funds available if the District were to spend any money at all on the project. He stated if the Board decided to spend all of that money on Miner's it didn't even begin to put a dent in the remainder of the project. He stated his reasons for the District not continuing the project were: the District did not have the cash on hand and the District didn't have the ability to raise the money. He stated the initial plan was when the District got through Phase 2 the District would raise the money for Phase 3. He stated he did not think that was practical because the District didn't have the money to get through Phase 2 and the idea that the District would be able to raise the money was unrealistic. He referred to the Summer Concert Series being cut because the District was unable to raise \$4000 for sponsorships, and if the District couldn't raise \$4,000 how would it raise \$5 million for Miner's. As an option for a solution he stated the District could approach the City and find out if the City wanted to take on the project, which sounded like a no, or the District follow the agreement and approach the Foundation about it. He stated he did not think it was practical for the District to continue the project.
- Joan Burke stated she did not think it was practical either and stated her thoughts were that another group that had the heart, energy, and abilities needed to take it over from CARD. She stated she did not think that they as the Park District should take on Miner's at this time. She stated she wanted something to happen with it, but the District did not have the time or the energy to move it forward. She stated CARD did not have the City's support and the District did not have a downtown support.
- Rick Robbins stated he did not think it was accurate to say the City did not support it. He stated the City wanted to see the theater rehabbed, which did not mean they

wanted to pay for it. Joan Burke stated in clear vision the City is not doing anything for it. Rick stated the City had given CARD two years and hopefully three years of TIF funds to go toward the project. Andrew Carruthers stated their support, and out of due respect to the City, was a drop in the bucket. He stated the bottom line was CARD was not best suited to do the project, and CARD needed to focus on what it had.

- Spike Bryant stated he thought someone else needed to take it over, but CARD needed to look at the agreement with the City regarding TIF funds. He stated if CARD did not keep the building for a period of time, he thought CARD would have to pay the money back. Mary Ann Bitzer stated the District would have to pay the money back.
- Mary Ann Bitzer asked the Board if the topic could be kept open for a short while longer. She stated she would like to bring White and Borgognoni back to explain the sketches provided to the Board that did not include the second building. She stated the Board was lacking an individual that was a grant writing or funding position. Rick Robbins stated he did not see the money being available to the District either and he would not want to move forward without a substantial grant.
- Joan Burke asked if it was possible to give the building back to the Foundation. David Gerber stated it was something the District would have to look into and that the agreement stated the Foundation had the first right to take it back. Andrew Carruthers stated the deed restriction was the Foundation had the right of first refusal, and if the Foundation refused it the District could do what it wanted with it.
- Mary Ann Bitzer stated she thought the District also needed to have better discussions with the City. Rick Robbins stated he would continue to pursue all options presented. Mary Ann asked what the Board thought about bringing back White & Borgognoni. Joan Burke stated she didn't think the Board was there yet, that the Board was not ready to design a theater and that the Board needed to decide if they were going to keep it. Andrew stated he thought the next step was for Rick to approach the Foundation before the next meeting and find out if they would take Miner's back and maybe talk to the City about the TIF agreement.

The next topic discussed was regarding an update on the District's pursuit to restructure debt.

- Rick Robbins stated he was in contact with three financial firms, one being Stifel Nicolaus, as well as others that had contacted him. He stated he was working on setting up preliminary meetings to get the process under way.

The next topic discussed was regarding the District audit:

- Rick Robbins stated the District would be proceeding with the annual audit using Scheffel & Company and referred to a Letter of Intent provided to the Board.
- Andrew Carruthers explained that the audit was required for all units of government if they received more than \$850,000 in revenue in a fiscal year. He stated the purpose of the audit was to make sure that the handling of the finances conformed to basic accounting practices and principals. He stated what the audit did not do was look over the practices, procedures, and that the right funds are used for the right things. He stated over the past couple months potential use of credit cards, potential misuse of the Paving and Lighting Fund, etc. were found. He stated due to the last two recent events it was his idea to approach professional accounting firms

to solicit a forensic audit to review use of funds, policies and procedures, and make recommendations about things that went wrong. He stated the reality was that if what Mark Achenbach stated during public comment was accurate, it was looking like the District misused money. He stated he was about looking forward and not looking back, but the problem was if the District misused the money he thought the District could look back as many years as required and make transfers where necessary and do what was necessary to fix it. He stated he thought it was time to find a special firm to conduct that kind of audit. He stated if the District were able to solicit a couple bids to look at costs he would like to include an appropriation for such an audit in the current budget.

Commissioner Carruthers left the meeting at approximately 7:53 PM.

The last topic discussed was the Committee-of-the-Whole meeting schedule:

- Rick Robbins asked the Board if they wanted to continue with two meetings per month.
- Joan Burke stated she saw a need for them because of all that the Board was encountering at that time. Mary Ann Bitzer stated she agreed.

CARD staff presented staff reports:

- Rick Robbins presented his reports:
 - He stated the job announcement for the Aquatic Supervisor position was posted. He introduced Craig Norrenburns, Asst. Manager of Splash City, who he stated would be stepping up to take on as much as he could. Mary Ann Bitzer asked who was facilitating the certification of all of the lifeguards. Craig stated he was certified as a 2 Star trainer and was facilitating the trainings.
 - Rick stated the PEP grant notification was received and some of the projects associated with the grant were started.
 - He stated the house on Tara Lane would be vacated the end of May, and he believed the District would be prepared to pursue selling the property in a couple months.
 - He provided information about upcoming events, to include a Volunteer Day at Splash City where volunteers from Discovery Family Church would be volunteering to help paint the pools, and provided an update on Arlington Wetlands and the Sports Complex.
- Kevin Brown presented information about the services provided by the Parks Department, which was outlined in a report he provided to the Board.
 - In regard to services provided to the community for events, at no cost by the District, Mary Ann Bitzer stated she thought the Board needed to discuss the future involvement of CARD in such events
 - Joan Burke stated she thought it was a staff decision, that as a policy the Board needed to look into creating an established policy of staff involvement beyond CARD activities, but she did not think it was their role as Board members to make these decisions.
- Elizabeth Davis presented information about upcoming events and advertising, the cooperation between CARD and School District Unit 10, specifically CARD providing flyers 5 times per year to students regarding District activities. She referenced the

report provided to the Board about the marketing budget and upcoming activities. She stated getting in front of people is invaluable.

- Rick Robbins presented information about the golf course, since golf staff were present:
 - He talked about compliments received about the condition of the course, record revenue numbers for the course the last several months, and other information outlined on the reports included in the Board packet.
 - He stated staff had been working on the reports for Arlington and Splash City to ensure accuracy of what was presented to the Board and managers, etc.

ACTION ITEMS

A motion was made by Burke, seconded by Bryant that Resolution Number 12-3, A RESOLUTION MAKING CERTAIN INTERFUND TRANSFERS PERMANENT, be adopted.

- Joan Burke asked for an explanation of the resolution. Mary Ann Bitzer stated Rosemary Barczewski had talked about transfers at the last meeting and it was something done every year. She referenced the transfers listed in the resolution and stated the permanent transfers needed to be approved. She stated there was one payroll bank account, which was maintained in the General Corp Fund. She stated each fund paid its share, based on who was in that fund, and sometimes, due to timing the District did not have the amount of money in the individual funds to pay back right away or at all and so the funds fall a little short. She stated that is what the permanent transfers do, is they clear the money out in those funds.

Upon roll being called, those voting AYE were: Burke, Bryant, Bitzer. None voted NAY. Motion passed.

Prior to going into Closed Session, the Board heard additional public comment, as requested by the public during the Discussion portion of the meeting.

- Joe Ashmann stated he did not think the Miner's temple was going to go away, and he had a friend who worked on tons of historical development restorations. He stated he thought he could talk his friend into meeting with members of the Board to provide ideas about what could be done with Miner's theater with a minimum outlay of money. He stated he thought his friend could do it in a way that it would be a classy operation that would make everyone happy. Mary Ann Bitzer and Rick Robbins asked Joe Ashmann to have his friend contact CARD. Joe Ashmann also referenced the lack of records of events, receipts, expenditures, etc. and asked the Board why they would want to spend another dollar until the Board developed a plan.
- Pete Palumbo addressed Rick Robbins and stated he noticed of the three finance groups Rick mentioned; only one was local. He stated he knew of two others in St. Louis and asked Rick if he would be open to receiving information from other groups. Rick stated absolutely and that his list was not full. Pete stated he would like to get Rick's business card to provide to the groups and have them contact Rick. Rick stated the ones he had talked to specialized in public issues.

A motion was made by Burke, seconded by Bryant that the Commissioners go into Closed Session for the purpose of discussing the appointment, employment, compensation,

discipline, performance or dismissal of specific employees and to discuss the Sale or Purchase of Real Property.

The board adjourned to CLOSED SESSION at 8:41 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 Mary Ann Bitzer at 9:14 PM, April 17, 2012 at the district office, 10 Gateway Drive, Collinsville, Illinois. Upon roll being called the following commissioners answered present: Joan Burke, Spike Bryant and Mary Ann Bitzer. Commissioner Carruthers and Tanzyus were absent. Staff present included Interim Executive Director Rick Robbins, Director of Business Rosemary Barczewski, and Administrative Assistant Susan Zaber. Attorney David Gerber was also present.

No further business coming before the Commissioners, a motion was made by Burke, seconded by Bryant, that the meeting be adjourned. Upon roll being called, those voting AYE were: Burke, Bryant, and Bitzer. None voted Nay. Motion passed.

The meeting stood adjourned at 9:15 PM.

Respectfully submitted,

5/15/12
Date

Susan Zaber
Susan Zaber, Recording Secretary