

COLLINSVILLE AREA RECREATION DISTRICT

COMMITTEE-OF-THE-WHOLE MEETING

February 7, 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 7:06 PM, February 7, 2012 at the district office, 10 Gateway Drive, Collinsville, Illinois. Following the Pledge of Allegiance the roll was called with the following commissioners answering present: Andrew Carruthers, David Tanzyus, Spike Bryant and Mary Ann Bitzer. Joan Burke was absent.

Staff present included Interim Executive Director Rick Robbins, Marketing & Communications Coordinator Elizabeth Davis, Aquatics Supervisor Stephanie Whittington, Director of Business Rosemary Barczewski, Accounting Assistant Iva Briggs, and Administrative Assistant Susan Zaber. Attorney David Gerber was also present.

Commissioner Joan Burke arrived at 7:09 PM.

PUBLIC INPUT

Joe Ashmann addressed the board about CARD past practices, regarding purchasing of property and financial practices. Specifically he mentioned the purchase of Arlington Greens and Pleasant Ridge park. He stated in the past he thinks CARD was focused on the care of the parks. Mr. Ashmann asked the board if they would be on board with bringing in an independent analyst to look at the CARD books, specifically to look at transactions from the last 7+ years. Each board member responded to Mr. Ashmann's inquiry.

Mark Achenbach addressed the board regarding his acknowledgement of improvements made to the CARD website, and the addition of the financial information. He also stated that since Rick Robbins has been interim Executive Director, CARD is now in compliance with FOIA postings. He also addressed the board regarding the Maryville disconnection, which he does not currently agree with, due to the tax payment Maryville residents will have to pay without the receipt of CARD benefits. He also stated that if Maryville disconnects, Collinsville residents will see their tax rate go up. He stated he thought the disconnection should be put on the electorate for a vote. Regarding the discussion item to discuss bond levies and tax abatements he stated he hoped the board was not reconsidering decisions made in the last several months.

DISCUSSION ITEMS

The board discussed the resolution presented by the Village of Maryville

- Mary Ann Bitzer addressed comments to Mayor Gullede regarding the process for Maryville to disconnect or de-annex from CARD, and stated the process outlined is the only way for Maryville to de-annex from CARD.
- There was disagreement about some of the information outlined by Mary Ann Bitzer about the disconnection process, specifically the need for two votes. Andrew Carruthers stated the Village of Maryville realized the process was not as simple as presenting a resolution, and that he thought they presented the resolution to take the boards temperature about how it feels about the disconnection, and based on the boards response Maryville would decide what they wanted to do. Andrew Carruthers then outlined the process, and asked where it was listed that there was a need for two votes. Andrew Carruthers then read from the statutes and stated he did not believe a referendum was required.
- Larry Gullede addressed the board and presented information about the process initiated by Maryville 3-4 years ago to disconnect from CARD. He stated individuals came in from Maryville and Collinsville to sign a petition that “they” did not go door-to-door, and the purpose was to send a message to CARD.
- Larry Gullede asked Attorney David Gerber to clarify statements made by Mary Ann Bitzer about the process. David Gerber responded and stated once the petition is submitted with the necessary signatures, certified by the circuit court, then the board can take action. If the area to be disconnected is going to cause a disconnection, meaning that there would still be part of the district that doesn’t boundary lines, then that type of disconnection would require a referendum by both bodies. He stated he thought that was where the misunderstanding was between the information provided to Mary Ann Bitzer by Peter Murphy and what was being discussed. He stated there was a way, if there wasn’t territory that would create a disconnection from other district territory, there was a two prong signature test, plus certification, and then the corporate authorities could act without an election.
- Andrew Carruthers stated he thought the board owed the Village of Maryville to discuss how the board felt about disconnection, regardless of the action required before a decision can be made, the pros/cons, the effect on Maryville and Collinsville residents, and the effects it would have on CARD. Joan Burke and agreed and stated the board did need to talk about the pros and cons. David Tanzyus stated his perspective was that he wished Maryville would stay, but he was not of the belief that he is going to force someone to stay in something they don’t want to be a part of.
- Andrew Carruthers stated most of Maryville was not in CARD, and when CARD was created 20 years ago, Maryville was excluded from CARD. Mary Ann Bitzer then presented information about why the exclusion occurred and that because Maryville did not want to be included, the boundary lines were drawn, leaving Maryville out. Since that time, Maryville annexed land that was in the CARD, and that was why some of Maryville was in the CARD and some was not.
- Andrew Carruthers asked the board to talk about specific objections. He stated he talked to some Maryville residents, and some did not know they were in it. He stated that those who did know they were in it objected to paying taxes to Maryville parks and paying taxes to Collinsville parks to a perceived mishandling

of tax payer dollars, and CARD didn't have much of a presence in Maryville. He stated it was Maryville's intention to not be included, and only through, perhaps through a mistake of law or a misunderstanding on Maryville's part, as land was annexed and Maryville grew that it would come out of CARD. He then referenced the territory map outlining what areas of Maryville are in the district and areas not in the district.

- Joan Burke asked if the residents knew that they get a resident rate for things like Splash City. Andrew Carruthers stated the Maryville Parks & Rec offers a lot of the same programming as offered by CARD, and the other things, like Splash City and the golf course, the residents could use anyway. The residents wouldn't get the discount, but they also wouldn't have to pay the taxes. He stated the benefits to Maryville, is their taxes would be lowered, and the benefits to CARD would be having the opportunity to respect Maryville property rights.
- Andrew Carruthers stated the Maryville population effected is approximately 18.5% of CARD's tax base and 13% of the CARD population. The total number of voters affected is about 3200 people, who are both in Maryville and CARD. He reiterated the Maryville/CARD residents would still be responsible for paying their portion of the debt service for approximately the next 25 years, but the operational levy would be gone.
- Andrew Carruthers stated he thought the board should go around the table and state how they felt. Joan Burke stated she was not ready to give a firm answer. She stated she would understand, if that is what Maryville wanted to do, but she was not ready to provide a firm answer. David Tanzyus stated he would love for them to stay for the benefit of the District, but if someone doesn't want to be a part of something, and they are paying their portion of the debt, he can't tell someone to stay. Rick Robbins in his opinion that one of the arguments is that CARD has not done enough for Maryville. He stated he believed there was going to be a new direction and an extension of a CARD hand to offer to work with Maryville and all residents. He stated everything CARD does is for every resident in the District.
- Mary Ann Bitzer stated the board needed to wait for the petitions to come in for there to be further discussion.

The board discussed District bond levies and tax abatements.

- Rick Robbins discussed information he presented to the board over the course of the last couple weeks, regarding the plan the District entered into in December and a course he believed the board needed to take by statute and by bond ordinance. The plan to extend entered into to extend the tax levies from the 2007 and 2010 bonds, which the law was clear in stating, they were never intended to be extended.
- Andrew Carruthers explained there were three long-term bond debts. The 2004 series, which was for the water park; the 2007, which was for the golf course; and the 2010, which was for Pleasant Ridge Park and Miner's theater. He stated the last one was scheduled to be paid off in 2036. He stated that last month the board abated and were not going to extend the tax levy for the 2004 bond, with the intention to do a roll over bond at the end of this year, like was done last year.

Instead of being for all three bonds, the rollover would be done for one bond. He stated in the last few days it was brought to the board's attention issues regarding the debt limit, and if any of the bond levies were extended the District would blow past its debt limit and the District would not be able to borrow another dime until about 2033. Andrew Carruthers his big concern is that the board would not be able to do a roll over bond in 2012 for the 2004 series. He stated what the board was being asked to do at the next meeting was to abate all three bond series. He stated he would rather extend the levies, and not borrow another dime.

- Information was also referenced that was provided to the Interim Executive Director and forwarded to the board from the financial legal firm Chapman and Cutler, regarding decisions and recommendations about management of the District's debt.
- Mary Ann Bitzer stated concerns for not being able to borrow money, if things would happen that would require major repairs, etc. that would be necessary to keep facilities running. Andrew Carruthers stated didn't the District have insurance. David Tanzyus asked if the District was self insured, what kind of dollars would the board be talking about. He stated hard numbers needed to be provided. It was clarified during the discussion that the District would not be able to do any extension of credit.
- Andrew Carruthers asked if CARD was prohibited from entering into an Intergovernmental Agreement with, for example, the City of Collinsville, who has plenty of room in their debt limit, to get things like copiers. CARD would have an agreement to reimburse Collinsville on the principle and the credit would be extended to Collinsville and not CARD. He stated he wanted information and alternatives.
- It was mentioned by Andrew Carruthers that if the District has to continue to do rollover bonds, they could bid out the services, to make sure the District is getting the best deal with regard to fees and commissions, etc.
- David Tanzyus stated it would be nice to find a bridge to get from where the District is now and where it wants to go, which is off the debt wheel.

The board discussed the Tara Lane property owned by CARD, which is adjacent to Pleasant Ridge Park.

- Andrew Carruthers stated this was one of his agenda additions. He stated whenever property is sold by the District, court approval must be obtained. He stated the District already got permission from the court to sell the property on Vivian, and the other property he would consider selling was the Tara Lane property. He asked that the board consider selling it, and authorize the CARD attorney to seek the pre-approval to sell it, which is a bit of a process. He stated the reason the board should consider selling it was because of the expenses associated with owning it. He stated we were paying upward of \$5000 - \$6000 per year in property taxes, in addition to expenditures to repair and maintain the home and property.
- Rick Robbins stated there was 17 acres that was purchased with the house, which was the real asset to the District. Andrew Carruthers stated the acreage

had not been sectioned off and the current parcel is the same as when the District bought it. Andrew Carruthers presented several options to consider if it was decided to sell it. The board could section off part of the acreage to keep in the park and just sell the home, plus an acre or two or they could decide to sell it as a whole.

- David Tanzyus inquired about the utilization and if there was a designed use for the acreage. Rick Robbins stated there were plans associated with the acreage and Phase II and Phase III of Pleasant Ridge Park. Rick Robbins stated his suggestion would be to section off 1-2 acres to maintain with the house, and leave the rest as park land. He stated with the Vivian property it took over a year to get to the point to sell it and asked David Gerber if he knew if it had to take that long to get through the process to be able to sell property. David Gerber stated the court process doesn't take that long, but with the Vivian property it was zoned agricultural, so they split off the land and just did the house, which had to be rezoned with the City of Collinsville. He stated the District would probably have to do the same with the Tara Lane property. He stated if the board decided to sell of less than 5 acres, the District would probably have to subdivide it, and that would be something he would have to check on. He stated the District would have to do a plat and go through the subdivision process.
- Rick Robbins mentioned that a part of the park district statutes that are in place is they don't make it easy to sell property.
- Spike Bryant stated if the District was to sell it, he would like to subdivide two acres with the house and barn and sell that, and keep the other acreage with the park.
- David Tanzyus suggested the board look at all the properties and make decisions about all at one time.

The next topic discussed was a draft Purchasing/Credit Card Policy.

- Rick Robbins presented a policy drafted and distributed to the board to review and to discuss at a later date.
- Joan Burke stated she wanted time to review the policy in detail, and suggested discussing it further at the March Committee-of-the-Whole meeting.
- Rick Robbins briefly walked through the draft and explained some of the areas or sections covered within the policy.

The last topic discussed was transfers and review of past transactions.

- This was another topic added by Andrew Carruthers, who stated a couple months ago a number of people went to a lot of effort and reviewed a lot of documents to try and determine whether there was any misuse of credit cards and other transactions. He referenced a report presented during public comment, and stated he understood some of the issues had been addressed already, and he wanted to make sure past transactions were being thoroughly reviewed to review a lot of information, some of which was presented during public comment a couple months ago. He stated he wanted to make sure we are doing a thorough job of reviewing past transactions for a given period of time to ensure there are no other areas of concern. He stated he knew a number of

people had volunteered their own time and services for free to come in and take a look at the books. He recommended CARD take advantage of these services.

- David Gerber stated free was good, but there were financial policy issues, e.g. documents containing addresses and social security numbers, etc., and so there are a lot of issues letting people come in and go through the records. He stated he thought the District could come up with a process that would accommodate everybody.

A motion was made by Burke, seconded by Tanzyus, that the commissioners go into CLOSED SESSION for the purpose of discussing the appointment, employment, compensation, discipline, performance or dismissal of specific employees (5 ILCS 120/2(c)(1)), and for the purpose of reviewing Closed Session Minutes from 2011 (5 ILCS 120/2(c)(21)). Upon roll being called, those voting AYE were: Carruthers, Tanzyus, Burke, Bryant, and Bitzer. None voted nay. Motion passed.

The board adjourned to CLOSED SESSION at 8:26 PM.

The Committee-of-the-Whole 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 9:20 PM, February 7, 2012 at the district office, 10 Gateway Drive, Collinsville, Illinois. Upon roll being called the following commissioners answered present: Andrew Carruthers, David Tanzyus, Joan Burke, Spike Bryant, and Mary Ann Bitzer. No Commissioners were absent. Staff present included Interim Executive Director Rick Robbins and Administrative Assistant Susan Zaber. Attorney David Gerber was also present.

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

The meeting stood adjourned at 9:21 PM.

Respectfully submitted,

Susan Zaber, Recording Secretary

Date