

COLLINSVILLE AREA RECREATION DISTRICT
COMMITTEE-OF-THE-WHOLE MEETING MINUTES

JUNE 5, 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, June 5, 2012 at the district office, 10 Gateway Drive, Collinsville, Illinois. Following the Pledge of Allegiance the role was called with the following commissioners answering present: Andrew Carruthers, Joan Burke, Spike Bryant, David Tanzyus, and Mary Ann Bitzer.

Staff present included Interim Executive Director Rick Robbins, Superintendent of Parks Kevin Brown, Golf Manager Mark Marcuzzo, Golf Superintendent Bob Lovatto, Marketing & Communications Coordinator Elizabeth Davis, Director of Business Rosemary Barczewski, and Administrative Assistant Susan Zaber. Attorney David Gerber was also present.

PUBLIC COMMENT

Mark Achenbach addressed the Board regarding his recent tax bill and thanked the Board, specifically Andrew Carruthers and David Tanzyus, for the reduction in the CARD tax. He then addressed the Board regarding the Paving and Lighting Fund and stated he hoped the legal opinion David Gerber was to provide was in writing and he was willing to put his name at the bottom and stand behind it, because sometimes people's opinions change when it was verbal as opposed to in writing. Lastly, he stated the Miner's Institute was working hard with an online survey, and stated he had no problem with the people doing the petition. He stated he thought the signature count was interesting, which at the time he looked at it there were 562 signatures. He stated that six of the last ten signatures listed did not live in Collinsville. He stated it was great that people that lived outside of the park district supported Miner's, but he hoped the Board did not take that as some indication of people that lived in the district that the people wanted the Board to spend their tax dollars on Miner's Institute. He stated \$1.55 million had already been spent and that was plenty. He stated that he, like the individuals who signed the petition, had great memories of Miner's, but he didn't want his tax dollars spent on it. He stated he didn't have any problem with people going out to look for grants and wished the MIF the best of luck. He stated he would like to know how much money had been put into the project by the Miner's Institute Foundation, which he assumed was zero or nearly zero. He stated any amount given by the Foundation could be off set by any money paid by CARD to the Foundation for membership dues, which he stated he thought was about \$250 per year.

DISCUSSION ITEMS

The first item discussed was on debt restructuring. Joy Howard, with WM Financial Strategies, presented information about her experience as an underwriter/broker/dealer and referenced hand outs she distributed to the Board which outlined her qualifications and background. Regarding the District's debt she stated she went on a municipal bond web

site that was controlled by the Municipal Security Rule Making Board, and on that site she found all CARD issued statements, except privately placed issues, and CARD annual audits. She stated she did not know the ins and outs of CARD finances and whether CARD had a capital plan, but she did know something about CARD debt. She stated CARD should not look at refunding of its outstanding debt, and then discussed each of the CARD outstanding bond issues. She stated CARD might want to look at doing something creative with the rollover bonds, and instead of doing more capital planning to take some of the money and do a quasi unusual way of funding a little bit of the debt till the District is closer to the call dates. She stated from what she could see the District was unrated and the District's credit needed improving, and the timing of the call dates and the District's credit rating were things to look at when making the consideration as to whether refunding is feasible.

- Andrew Carruthers asked if there were any other options, in addition to periodic refunding, that may be available, like some type of grant consolidation. Ms. Howard stated by law refunding was for refunding, so if the District was looking at a refunding of a refunding before the call date the option would be to do a taxable issue versus a tax exempt issue. She stated the taxable would make matters worse as far as interest rates and credit. However, she stated the District might be able to use rollover bonds to start chipping away at the debt.
- Andrew Carruthers inquired about Ms. Howard's compensation and asked if she was paid on a retainer or hourly rate as opposed to a percentage of bond issues. Ms. Howard stated she had clients where she was paid a specific, fixed amount for bond issues, but also was paid on an hourly fee basis for other financial services, like capital planning. She stated it depended on the situation, and in the case of CARD she recommended she would first get through capital planning and other thoughts about what to do, and so would propose an hourly rate. She stated her hourly rate was \$150/hour, and depending on what was decided and if she were retained by CARD, she could set a cap or periodic caps to control the costs of her services.
- David Tanzyus asked what Ms. Howard would need from the District, in order to do a comparison of, for example of what the District had now versus going in the direction of using WM Financial Strategies. Ms. Howard stated she did not have any information about CARD capital plans or rollover bonds, and it was a matter of spending some time with staff to go through some basic fundamental information.
- David Tanzyus asked if what the Board was doing was looking at companies that were going to do some of the discussion and get information so the Board could make some choices. Rick Robbins stated currently the District was looking for what options were available to the District and recommendations provided to the District.
- Ms. Howard stated she would also like to know how the District's rollover bond had been done, and provided information about how her company manages rollover bonds and methods of saving costs.

The next topic discussed was regarding an update on the Paving and Lighting Fund:

- David Gerber stated after reviewing the park district code and cases related to those sections and other similar sections of municipal code he could not find any direct violation by the District in payments made from the paving and lighting fund. Additionally, he stated if that opinion ended up not being correct there were no statutes or cases where repayment was required of an expense. He stated all the expenses paid were proper, legitimate District expenses and it was a matter of which

fund the money came from, and there were no cases or statutes he found that required reimbursement of a fund. He stated if a court would find that there was improper allocation from the paving and lighting fund there wasn't a remedy out there that had been put in place. He stated the courts mainly enjoined the District from using funds in future years for purposes found to be improper. He stated with that being said the Board had taken that action, based on citizen concerns by not levying for the paving and lighting fund.

- Andrew Carruthers stated he also looked at the statute and case law and that he did not find anything that was on point that suggested that the court had ordered a particular action. He clarified that in order for there to be a case study there had to be an appeal, and if there was an appeal of a similar concern, it wasn't published.
- David Tanzyus asked if the Board would receive a written opinion, and David Gerber stated "yes".

The next topic discussed was the Public Comment Ordinance:

- Rick Robbins stated he had presented draft suggestions of a new ordinance, which was something he had worked on a couple months. He stated he had talked to colleagues at the City, who thought CARD should have public comment at every meeting, which was despite a conversation he had with the Attorney General a few months ago where it was stated the District was compliant, even though a letter received from the Attorney General in April suggesting the District was not compliant. He stated he thought it was the best thing to have public comment at every meeting.
- Andrew Carruthers stated he agreed with the opinion of the Public Access Council, and that he had shared some comments with Rick and David Gerber previously. He stated he thought Rule #3 limiting public comment to individuals residing in the District might potentially violate the OMA. David Gerber stated he and Rick talked about it and stated that was a good point, and instead recommended maybe having a priority list based on tax payer status, residency, etc. Andrew stated that would be good.
- The 5 minute time limit was addressed and it was generally agreed 5 minutes was acceptable.
- Andrew Carruthers stated his only other concern was Rule #7, regarding regulating the audience participation. He stated his concern was that the Board would terminate an individual's ability to communicate with the Board based on the actions of the audience. Rick Robbins stated he could reword that to section.
- Andrew Carruthers stated he didn't know if public comment could be limited to just District business or agenda items. Rick Robbins stated he thought the District could, that he didn't want to limit comment to just the agenda, but to park district business. Andrew suggested adding a space to the sign-in where topic was asked. Joan Burke stated it should be limited to the park district realm.
- Rick stated he would complete the rewrites and send them out to the Board prior to the next meeting.

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 and to discuss the sale or

purchase of real property. Upon roll being called, those voting AYE were: Burke, Bryant, Carruthers, Tanzyus, and Bitzer. None voted Nay. Motion passed. The board adjourned to CLOSED SESSION at 7:45 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 8:41 PM, June 5, 2012 at the district office, 10 Gateway Drive, Collinsville, Illinois. Upon roll being called the following commissioners answered present: Joan Burke, Spike Bryant, Andrew Carruthers, David Tanzyus, and Mary Ann Bitzer. 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 Burke, seconded by Carruthers, that the meeting be adjourned. Upon roll being called, those voting AYE were: Burke, Bryant, Carruthers, Tanzyus, and Bitzer. None voted Nay. Motion passed.

The meeting stood adjourned at 8:42 PM.

Respectfully submitted,

Susan Zaber, Recording Secretary

Date