

COLLINSVILLE AREA RECREATION DISTRICT

REGULAR MEETING MINUTES

JULY 17, 2012

The Regular Meeting of the Board of Park Commissioners of the Collinsville Area Recreation District was called to order by President Andrew Carruthers at 7:02 PM, July 17, 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, and Spike Bryant. Commissioners David Tanzyus and Mary Ann Bitzer were absent.

Staff present included Executive Director Terry Wilson, Superintendent of Parks Kevin Brown, Marketing and Communications Coordinator Elizabeth Davis, Superintendent of Recreation Rick Robbins, Outdoor Program Coordinator Kelsey Rundle, Administrative Assistant Susan Zaber, Splash City Assistant Manager Craig Norrenburns, and Splash City First Aid Supervisor Dominic Baima. Attorney David Gerber was also present.

Commissioner David Tanzyus arrived at 7:07 PM.

PROCLAMATION/RECOGNITION/PRESENTATION:

Carl Ramey, Senior V.P. with Stifel Nicolaus distributed information to the Board and gave a presentation regarding an overview of the history and services provided by Stifel Nicolaus. Mr. Ramey discussed the outstanding debt of CARD and referenced the documents provided to the Board. Mr. Ramey referred to CARD's three outstanding bond issues and stated currently the 2004 bonds were callable next year. He stated since it was an advanced refunding to do anything with the bond as an advanced refunding would have to be done 90 days prior to the call date. He stated he thought the call date was December 1, 2013, which meant the earliest it could be called, was September 1, 2013.

He stated if in 2013 the interest rates were the same that they are today, the savings could be 10-11%. He stated there was an alternative and that was to do taxable financing. He stated depending on CARD's credit there could be a ½ % to ¾% difference. He stated his group ran some numbers for a taxable refunding for CARD and found CARD could save 2-3%, which included some higher costs to issue the bonds. However, he did not think the savings for CARD were sufficient enough to pursue that option.

He stated the other two issues of 2007 and 2010 were too far out to refinance, and the opportunity to refinance was really only with the 2004 issues. Andrew Carruthers asked if a taxable financing could be done on the 2007 and 2010 and still save some money. Mr. Ramey stated Stifel did not run those numbers, but CARD would have to escrow money for the bond payments, and the escrow funds were earning next to nothing. He stated the escrow set aside would have to be enough money to pay the bonds, with interest, in their entirety by the call date, and it was probably impractical to consider. Andrew asked how much would have to be set aside

for refunding of the 2007 bonds, and Mr. Ramey stated roughly \$8.5 million plus accrued interest from the date of the bond issue till 2016.

Mr. Ramey stated moving forward, Stifel Nicolaus did not see on the near horizon a realistic refinancing that probably made financial sense. He stated it was also noted that CARD levied accordingly to continue to make annual principle and interest payments, and it levied sufficiently to cover debt service costs. He referred to other documents from the packet provided to the Board, and stated from his perspective it appeared CARD was in good financial condition, particularly with the way CARD levied for this year.

Mary Kane of Stifel Nicolaus also spoke and stated there were a number of different ways to do bond issues. She stated underwriters could be used to do public offerings or private placements, which is when an organization does the bond issue on their own. She and Mr. Ramey also made suggestions regarding policies to establish and being fiscally responsible.

PUBLIC COMMENT:

Pete Palumbo referenced the presentation provided by Stifel Nicolaus and stated 20 years ago when the District was first established there were private placements and working cash fund bonds, because he used to set the rates for some of the local banks. He stated it could be done and it was easy if it were done on a local bank basis. He then presented questions to Mary Kane and Carl Ramey of Stifel Nicolaus for consideration:

1. What kind of fees did they think about in terms of underwritings per bond?
2. Did they look at non-rated or A-rated?
3. Did the fees per bond include an all issuance expense?
4. Did they anticipate the debt being issued in tranches of \$10 million or less, so that they could then be qualified issue sometime or in the future?
5. When there was a reissuance of bonds did they anticipate that being an escrow situation or defeasance?
6. How did they plan to make sure CARD would get the best deal? What was their measure and how did they look at those things?
7. Finally, how did the firm handle somewhat possible conflict of interest acting as an underwriter, as opposed to a financial advisor?

He stated these were things he thought the Board would want to know at some point.

Mark Achenbach welcomed Terry Wilson, and thanked the Board and Elizabeth Davis for posting the Claims & Accounts and Treasurers reports online. In regard to the Treasurers report he referenced funds listed and what appeared to be sub-funds, for example a fund titled Aquatic Daily Summer, which he assumed was something within the Aquatic Fund. He asked if when looking at the Aquatic Fund was that the Aquatic Fund minus the Aquatic Daily Summer Fund, and stated it wasn't clear. He stated the other thing he did not get was the credit cards and the balance listed, and the information listed at the bottom of the report regarding liquid assets and the Bank of Edwardsville account. He suggested the District post instructions on how to read the report, because it didn't make much sense and if information is posted it should make sense. He also suggested reports be provided on a regular basis for revenue generating activities, like the golf course and Splash City, and provide a comparison of what is generated versus what was

budgeted. He referenced the financial data and stated many times when you work with the same thing for a long time, processes and reports evolve based on technology. He stated the District had multiple financial data bases where the same data was inputted twice, which made no sense, and he didn't understand why all of the reports and all of the data did not come from the same central database. He stated multiple reports could come from the same data, and it was cheaper, easier, and resulted in fewer mistakes. The last thing he referenced was the Arlington Wetlands web site. He pointed out the wetlands was outside of the District, and he hoped the District was not paying for the pavers or posting the website, etc. because CARD should not be paying for parks outside of the District.

A motion was made by David Tanzyus, seconded by Spike Bryant to approve the consent agenda items, to include Meeting Minutes for June 12th, June 19th, and July 3rd of 2012 as printed and placed on file; Closed Session Minutes for June 5th, June 12th, June 19th, and July 3rd of 2012 as printed; Claims and Accounts list for the period 06/14/2012 - 07/12/2012 in the amount of \$357,692.46; and the Treasurers Report for period ending June 30, 2012.

- Joan Burke asked a question about Claims and Accounts, specifically what air conditioner was repaired by Viviano. Kevin Brown stated it was for the CARD Activity Center/Admin offices.
- Joan Burke asked about the Tourism Bureau advertisement/payment. Elizabeth Davis stated the one payment was for \$6978 out of aquatic and the other for \$2725 out of the golf fund. She stated the payments were for a partnership with the Tourism Bureau where the District bought the advertising, but the Tourism Bureau paid for it, and CARD received a 15% discount. Elizabeth provided specifics about the advertisement purchased for the costs outlined. David Tanzyus asked how responses were tracked. Elizabeth stated there wasn't really a method established to track responses. She stated Mark Marcuzzo, Golf Manager, obtained information from people as they came into the golf course to find out where they heard about the golf course. She also mentioned the Money Mailer coupons and coding on the coupons that allowed the District to know where the coupon came from, e.g. Belleville, Granite City, etc. However, because the Money Mailer coupons are also posted online someone from Granite City could print a coupon coded for Belleville and the information wasn't completely accurate. She stated the District's end goal would be to ask and find out from every person that used a facility or participated in a CARD program how they found out about CARD. David Tanzyus stated those measurables were important.

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

Staff reports were presented:

- Terry Wilson, Executive Director
 - Terry stated during his first two days he toured CARD facilities, and it was important to him to know exactly what was going on. He stated there would be

change and a lot of the questions he had that week mostly dealt with finances, and he thought the Board would see the Claims & Accounts become more explanatory.

- He stated a lot of good things were going on and he conveyed to staff that the District needed to take care of what they had and as good as they could, before taking on other responsibilities down the road.
- Rick Robbins, Superintendent of Recreation
 - He stated Arlington Wetland construction started the last week, which included an entrance way, a parking lot; turn around for buses, board walk, and new wetlands and trails. He stated the section where the parking lot was being built was the section owned by the District, and it was District's responsibility to maintain it.
 - He referenced CARD events that occurred. Specifically the Flo Tour, Battle of the Bands, Business after Hours for the Collinsville Chamber of Commerce, and the Dash N' Splash. He stated Kelsey Rundle had taken over coordination of the summer camps, and the District saw record numbers in those programs.
 - He stated the Recreation staff was working on Fall/Winter programs, which were due to Elizabeth Davis the next week to begin putting together the Program Guide.
 - Joan Burke asked about the status of the Aquatic Supervisor position. Rick stated the position would not be hired that year. Joan asked Rick if he would be providing a Splash City report at the next meeting, and he stated he would.
- Kevin Brown, Superintendent of Parks
 - Stated his staff was busy trying to keep trees alive in Pleasant Ridge Park and that more than 50 trees had been lost at the park. He stated the trees were watered every other day.
 - He stated he gave Terry Wilson a tour of most of the facilities, including the Maryville school play ground. He stated he expected to take care of all the schools, e.g. weed, inspection, etc. in the next month, before school starts. He stated the District needed to get away from taking care of the school play grounds and providing fibar, etc. Joan Burke stated the agreement with the schools needed to be revisited.
 - Joan Burke asked if Kevin met with the Raiders about their building at the Sport Complex and whether the District had keys to the building. Kevin stated the District had keys.
- Elizabeth Davis, Marketing & Communications Coordinator:
 - She stated the biggest thing for her was the program guide and the District was working with a new designer, and the staff decided to adjust the size of the guide to make it more compact. Andrew Carruthers stated he talked to the Mayor of the Village of Maryville about potentially putting Maryville parks information in the CARD guide, and it seemed like something Maryville wanted to do. He stated he would go back to Maryville in the next few days and communicate the deadlines, etc. and find out whether that was something they wanted to do.
 - Joan Burke stated if Maryville could not meet the deadline, maybe a statement with a link could be put in the guide telling people where they could go to get information about Maryville parks information, etc.

A motion was made by David Tanzyus, seconded by Joan Burke that the staff reports be accepted.

- Andrew Carruthers asked the Board what they thought about continuing with staff report presentations or the idea of having Terry Wilson present on all staff reports. David Tanzyus stated he thought staff could present at the end of the season and/or for season kick-off, and other times depending on what was best for the staff. Joan Burke stated she thought it depended on what was happening at the time. Andrew asked the Board to think about it and they could discuss it further in another month.

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

NEW BUSINESS:

The first item discussed was regarding broadcasting CARD meetings on the public access channel:

- Andrew Carruthers stated he and Terry Wilson had a meeting with Scott Williams, Interim City Manager for the City of Collinsville and during the discussion Andrew asked Scott about how they got the City Council meetings on the public access channel, which was offered by Charter and AT&T U-Verse. Andrew stated that Scott indicated there was an expense to it, and it was something the City would be willing to partner with CARD on if there was any cost to share. Andrew stated before he had Terry Wilson pursue it any further, he wanted to get the Board's thoughts on it.
- Joan Burke stated she thought it was a great idea.
- Spike Bryant asked if the District would do it the same way the City did it, post it once in the evening and once in the morning another day of the week. Andrew stated he thought it would probably be done that way. Joan stated the City also streamed it online, and there was discussion about that method.

A motion was made by Joan Burke, seconded by Spike Bryant that Executive Director Terry Wilson be appointed Board Secretary. Upon roll being called, those voting AYE were: Carruthers, Tanzyus, Burke, Bryant. None voted NAY. Motion passed.

OLD BUSINESS:

The Board discussed the possible transfer of Miner's Institute back to the Miner's Institute Foundation:

- Andrew Carruthers referenced discussion from the previous meeting and a letter sent to the MIF. He stated from newspaper reports and discussions with people who were at the MIF meeting on July 11, 2012, it was clear there was a vote to accept Miner's Institute back if CARD would offer it to the MIF.
- Joan Burke asked that the Board wait to hear from the MIF, as the MIF was given till the end of July to respond to CARD.
- Andrew stated he and CARD attorney David Gerber had talked and thought the District would probably want to get court approval to transfer the property back to the MIF. He stated there was question as to whether that was necessary, because it would be given to a

non-profit, etc., but because of the importance of the decision to transfer he felt more comfortable getting a court order.

- David Tanzyus asked if everything could be scheduled so the Board was ready in August to do what was necessary to get things moving. David Gerber stated everything could be ready, and depending on what the response was from the MIF, a hearing date could be set for after the next regular meeting. He stated if the Board authorized him to proceed, he could go ahead and schedule the hearing date by the end of August.

A motion was made by David Tanzyus, seconded by Joan Burke authorizing CARD Attorney David Gerber to petition the court for approval and give notice of a hearing that could be published in the newspaper to get court approval to transfer the Miner's Institute. Upon roll being called, those voting AYE were: Carruthers, Tanzyus, Burke, Bryant. None voted NAY. Motion passed.

The Board discussed the consideration of having a Forensic Audit conducted:

- Andrew Carruthers stated he provided four names of accounting firms that specialized in municipal matters to Rick Robbins and Susan Zaber to contact to obtain bids. He stated he did not think bids were required, since it was professional services, but that it was always a good idea to get bids. He stated the four firms were Scheffel, which was the company used for the regular audit, K.Kerber, Eck & Braeckel, Hughes & Associates, and C.J. Schlosser. He stated pricing was received from two firms, and the pricing was lower than expected.
- Joan Burke asked if the audit was something for Terry Wilson to pursue or that the Board needed to vote on. Andrew stated it was something Terry Wilson and Susan Zaber would handle going forward. He stated by the August meeting it was anticipated the Board would be looking at four bids and would be in the position to hire a firm to get started on the audit.

A motion was made by Joan Burke, seconded by David 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 property and real estate. Upon roll being called, those voting AYE were: Carruthers, Tanzyus, Burke, Bryant. None voted NAY. Motion passed.

The board adjourned to CLOSED SESSION at 8:27 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 Andrew Carruthers at 8:51 PM, July 17, 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, and Spike Bryant. Staff present included Executive Director Terry Wilson, Marketing and Communications Coordinator Elizabeth Davis, Superintendent of Recreation Rick Robbins, and Administrative Assistant Susan Zaber. Attorney David Gerber was also present.

FOR THE GOOD OF THE DISTRICT:

Andrew Carruthers stated he added this section to the agenda, because it provided Board members with the opportunity to express a view point or issue about something that wasn't stated elsewhere on the agenda.

- Joan Burke asked if that part of the meeting could be moved and earlier in the meeting, and Andrew stated he would move it before any Closed Session.
- Joan stated she wanted to let the Board know her son completed his Eagle Scout project at Willoughby and she wanted to commend Carol Freker for her assistance. She stated Carol was great and had been very supportive of her son throughout the project.
- Andrew asked the Board what they thought about the need for a Committee of the Whole meeting in August. The Board agreed a meeting was not necessary, and Andrew stated a notice would be posted cancelling the Committee of the Whole meeting scheduled for August 7, 2012.

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

The meeting stood adjourned at 8:55 PM.

Respectfully submitted,

8/21/12
Date

Susan Zaber
Susan Zaber, Recording Secretary