

**LAKE BLUFF PARK DISTRICT
BOARD OF COMMISSIONERS
MINUTES OF ADMINISTRATION AND FINANCE COMMITTEE BOARD MEETING
JUNE 24, 2009**

The Special Administration and Finance Committee Meeting of the Board of Commissioners of the Lake Bluff Park District, Lake County, Illinois, was held at the Recreation Center, 355 W. Washington Avenue, Lake Bluff, Illinois.

Present: Commissioners: Meierhoff, Nickels

Visitors: Commissioner Gronau, Commissioner Ehrhard, Ron Salski (Executive Director), Dave Peterson (Director of Business and Facility Services), Darryl Stackhouse (Golf Operations Manager & Head Professional), Rob Foster (Golf Course Maintenance Superintendent), Mary Quilty (Superintendent of Recreation Services), and Joe Schweda (Superintendent of Park Services)

1. CALL TO ORDER:

Chair Meierhoff called the meeting to order at 5:15 p.m.

2. ROLL CALL:

The following Commissioners were present when the roll was called:

Commissioners Nickels, Chair Meierhoff

3. APPROVAL OF AGENDA:

A motion was made by Commissioner Nickels, seconded by Commissioner Meierhoff to approve the agenda of June 24, 2009. By unanimous voice vote, the agenda was approved as presented.

4. STATEMENT OF VISITORS:

None

5. ITEMS FOR DISCUSSION

A. Conduct Ordinance 09-J – Review

He mentioned the last Conduct Ordinance was updated in 1979. Executive Director Salski outlined various sections of Park Regulations. He mentioned the Village will need to approve. The following items were discussed:

- District Police Force

Executive Director explained the Lake County Sheriff's Department does not enforce Park Regulations due to the multiple jurisdictions.

- Alcohol in the Parks

Executive Director explained concerned over potential drinking at softball games and how it relates to the policies. Commissioners asked questions about signage, discussing with the insurance company, review permit process and/or continue with the policy.

- Dogs on the Beach

Executive Director Salski mentioned the Parks, Recreation Programs and Facilities Committee is reviewing the dog beach policy. The Parks, Recreation Programs and Facilities Committee recommend allowing only dogs on the North side (Dog Beach) only. Commissioners have experienced dog owners not having dogs leashed. Staff explained concerns about people with dogs not listening to staff. Executive Director Salski recommends keeping the policy and review in the off season.

Commissioner Nickels mentioned to contact the Village to make sure the Park Regulations align with the Village Ordinances.

B. Administration Policy – Review

Executive Director Salski mentioned the document is voluminous and contains business and financial information. He mentioned that it is important the Park District address the mission, vision and values for the future. He wanted the Committee to finalize various sections such as Naming Rights. Commissioner Meierhoff asked if this is related to Memorials and Executive Director mentioned it is different. Commissioner Meierhoff asked if the Park District has a log for Memorials. Superintendent Schweda mentioned the Department of Park Services has a log but golf course staff mentioned, “no.”

Commissioner Meierhoff recommended staff do his/her best to contact family members. Executive Director Salski was concerned about resident requests where to put the tree or bench. Commissioner Meierhoff mentioned giving an out or lifetime.

Commissioner Nickels suggested a central location for a plaque. He recommended providing three catalog options.

Executive Director Salski mentioned there are other sections to read and receive approval in July or August. Executive Director Salski mentioned there are Fund Balance guidelines and pricing. He mentioned programs should be broken into Cost Recovery, subsidy, etc. Finally, he mentioned there is an opportunity for revenue and enhancements.

C. 2009 District Wide Financials - Recommendation

Commissioner Meierhoff was unclear with the report and asked Director Peterson to recap shortly. Director Peterson mentioned there is going to be a cash flow problem in 2010. He mentioned there are healthy funds; however the golf course is creating challenges. He mentioned if the golf course broke even, the Park District would have \$1.6 million in reserves. Commissioner Nickels asked questions about the interest rate for the Driving Range and Irrigation. Director Peterson mentioned the golf course is draining the Park District.

Commissioner Meierhoff mentioned the golf course stills has the obligation. He mentioned IMRF will increase 10% per year over five years. Commissioner Meierhoff asked how much it will impact the Park District. Director Peterson mentioned it is expected to increase \$15,000. Director Peterson mentioned the Park District is expected to have \$400,000 in reserves. He didn't think that the Park District could run out of cash by February 2010.

Commissioner Meierhoff asked if the savings based on discussions at the Golf Committee were accurate. Darryl and Rob mentioned the total loss is accurate.

Executive Director Salski mentioned letters will be sent to members. Commissioner Nickels mentioned there could be a negative reaction due to the promise of services. Commissioner Meierhoff asked Darryl what type of service it will leave the golf course. Darryl mentioned it will be slightly less than previous years. Darryl mentioned that he will have slightly less than previous years. Darryl mentioned that the Park District could be below \$900,000. The Committee believed it was in the best interest to cut back now until waiting for a Board Meeting.

Commissioner Meierhoff asked Mary Quilty the number of part-time staff employed. She mentioned 43 part-time staff. Ms. Quilty mentioned the financial numbers are not completed due to on-going registration. She mentioned registration is better than the June 15 Board Report. Staff will come back and prepare updated numbers.

Executive Director mentioned that the Park District has long term financial challenges due to course revenues. He mentioned the Park District may need to address the cash flow and after talking with an Advisor, the Park District may want to consider Tax Anticipated Warrants.

Chair Meierhoff recommended a possible line of credit option. He recommends highly reviewing all operation revenues and expenses. Director Peterson discussed the various Park District loans which are non-callable. Basically, Director Peterson mentioned the Park District cannot restructure the debt.

Commissioner Meierhoff had concerns about Tax Anticipated Warrants. He had questions about the Paddle Courts. Director Peterson mentioned the challenge is to meet operations and debt. Commissioner Meierhoff mentioned the 8% contingency and it was exceeded. He questioned what went wrong. Executive Director Salski mentioned the overruns were due to Change Orders. In addition, it is important utilizing a Construction Manager.

Executive Director mentioned that it is important to put a financial strategy together immediately following the Audit discussion. Commissioner Meierhoff mentioned that it is important for staff to present a balanced budget for the remainder of 2009 and into 2010 plan. Director Peterson mentioned the challenges are related to the Golf Course. Golf Operations Manager Stackhouse mentioned it will be difficult to have a balanced golf course budget. Executive Director mentioned that the Park District may have to budget a low revenue budget due to it being a walking course and other factors.

Commissioner Meierhoff mentioned the Park District hit the perfect storm. The planning took place at the wrong time as the Paddle Courts took three years and the impact fees. He mentioned the golf budget was aggressive. He believed the Board made good past decisions.

Commissioner Nickels mentioned it would be important to communicate an explanation of the finances. He believed that if we can figure out the golf, it would help.

6. VERBAL COMMUNICATIONS

Superintendent Schweda mentioned vandalism occurred with the south shelter mortar. Commissioners asked about the Beach Security and Director Peterson mentioned the hours are 6 p.m. to 1 a.m.

Superintendent Foster mentioned the course is in good condition. Commissioner Meierhoff mentioned to utilize Rob for a Pioneer Press article about the course conditions.

7. WRITTEN COMMUNICATIONS

A. Department Reports - None

8. EXECUTIVE SESSION

A motion was made by Commissioner Nickels, and seconded by Commissioner Meierhoff to move into Executive Session for appointment, employment, compensation, discipline, performance or dismissal of an employee, pursuant to Section 2 (c) (1) of the Open Meetings Act.

On the roll call, the vote was as follows:

Ayes: Commissioners Meierhoff, Nickels

Nays: None

Abstain: None

Absent: None

Executive Session began at 6:45 p.m.

A motion was made by Commissioner Meierhoff and seconded by Commissioner Nickels to move out of Executive Session.

Ayes: Commissioners Nickels, Meierhoff

Nays: None

Abstain: None

Absent: None

8. ADJOURNMENT

There being no further business, a motion was made by Commissioner Nickels and seconded by Commissioner Meierhoff to adjourn the meeting at 7:00 p.m. The motion carried by unanimous vote.

Approved this 17 day of August 2009
Administration and Finance Committee
Lake Bluff Park District