

APPROVED

REGULAR BOARD MEETING

A Regular Meeting of the Mt. Prospect Park District, Cook County, Illinois, was held on Wednesday, June 26, 2013 at Central Community Center Facility of said Park District. President Doherty called the meeting to order at 7:00 p.m. On roll call, the following officers and commissioner were present:

Tim Doherty
Steve Kurka
Bill Klicka
Bill Starr
Ray Massie
Lisa Tenuta
Susan Walsh

Administrative Staff:

Greg Kuhs, Executive Director
Lee Howard, Financial Advisor
Cathy Miller, Director of External Affairs
Brett Barcel, Director of Golf Operations
Jim Jarog, Director of Parks & Planning
Brian Taylor, Director of Recreation
Teri Wirkus, Exec./ Prof. Compliance Manager

Visitors:

Dutch DeGroot
Lee Jensen
Eric Ellesson
Jerry Boldt
Louis Goodman
Chas. Westierling

PUBLIC COMMENT

Mr. Boldt stated that he was upset with the amount of money the Golf Course might be costing the Park District and the community. He feels at this time it is not worth the money and funds should be used in parks and recreation programs for the children. Mr. Goodman decided to come to a meeting and get involved with the Park District. He agrees with Mr. Boldt about the Golf Course and suggested that the Golf Course Renovations should come up for referendum. He stated that \$10,000 cost was a lot of money to search for an Executive Director. President Doherty stated that the Board agreed to hire the Illinois Association of Park Districts for their expertise in searching for park district professionals at the Executive Director level. Mr. Goodman stated with all the people out of work couldn't the park district find someone local without paying \$10,000. Commissioner Walsh stated the board went through a thorough process to hire IAPD to search for a professional Executive Director. Mr. Boldt wanted to know why the district did not promote from within. President Doherty explained eleven seasoned professionals took early retirement and now the District is in a transition and in need of a seasoned Executive Director like Mr. Kuhs.

APPROVAL OF AGENDA

Commissioner Kurka motions to approve the agenda; seconded by Commissioner Tenuta, and carried by unanimous voice approval.

APPROVAL OF MINUTES

Commissioner Kurka moved to accept the revised minutes of the Regular Board Meeting of May 22, 2013 as amended; seconded by Commissioner Klicka and carried by unanimous voice vote.

PARKS FOUNDATION

Executive Director of the Foundation and Director of External Affairs, Cathy Miller talked about the Foundation's Annual Golf Classic co-hosted with District 214 Community Education that took place on June 21st. Cathy stated there was 84 golfers that participated and 14 wonderful volunteers. Five hundred golf balls were dropped from the helicopter and the closest golf ball to the hole-won the grand prize. Fifteen holes had sponsors. Approximately 90% of the golfers got in play before we had the big storm. Due to the storm the luncheon had to be moved from the tent to the golf course club house. The golfers commented they had a great time.

Comprehensive Annual Financial Report for the year ended December 31, 2012

Lori DeFasio from Knutte & Associates, P.C. reviewed high points about the audit.

When the team of auditors completes the audit process, they test the day to day procedures: cash receipts, payroll, approval process for example; they have 25 basic items that they test (each item is subjected to testing about eight times and could equal a total testing of 250 times). Testing of the general ledger is done in full. Other tests include cash accounts, reconciled monthly, testing to make sure everything is on the books and if outstanding checks have cleared, etc. Another test includes payroll/salary expenses; making sure items are reported correctly; i.e. vacation, social security, medical, contractual, etc. A review of accounts is completed, along with depreciation calculations, long term debt, and total year-end expenditures and there are spot-checks done on accounts within each department. In the auditor's opinion, Mt. Prospect Park District is in a good financial position. The positive fund balance in the special levy funds is good. Commissioner Walsh asked how many employees the Park District had in 2012. Lee Howard stated with seasonal part time, part time and full time staff about 800. Commissioner Walsh asked if MRMA/IMRF & NWSRA have a different audit and liability. Lori stated that each of these organizations has its own audit. There was a discussion on why IMRF figures were underfunded and the IMRF rate was now higher. Lee stated a lot has to do with the economy which affected IMRF investments and caused the rates to increase. This park district is now on a plan to build back up the IMRF fund. Commissioner Walsh asked where the cost of the audit is paid from. Lee

explained that it comes out of corporate fund and the mandatory audit cost about \$11,000.00. He also stated that Lori DeFasio and her team from Knutte & Associates are efficient and do a fabulous job with the size of this park district. Commissioner Walsh asked about our legal budget appropriation. Lee indicated the audit is done on an accrued basis document and the monthly reporting is on a cash basis. There are adjustments that are made and that doesn't mean that things are over budget. The capital fund budget carries over and it is a separate budget.

Mr. Goodman asked if any of the information is on the website and why more Commissioners weren't asking questions. President Doherty stated that the budget is on the website. Commissioner Kurka explained in layman's terms how the audit and the capital funds work. He also stated that some Commissioners understood the audit and that is why they were not asking questions. Commissioner Tenuta stated there is a report on the capital projects and thought it would be helpful to review the report at a future committee of the whole meeting. President Doherty stated that would be good idea.

COMPREHENSIVE ANNUAL FINANCIAL REPORT

Commissioner Klicka moved to accept the Comprehensive Annual Financial Report for the year ended December 31, 2012; seconded by Commissioner Tenuta.

Roll Call Vote

Ayes

Nays

Commissioner Doherty	X	
Commissioner Klicka	X	
Commissioner Kurka	X	
Commissioner Massie	X	
Commissioner Starr	X	
Commissioner Tenuta	X	
Commissioner Walsh	X	

Motion carried.

SPEER FINANCIAL REPORT

Dave Phillips, vice president of Spear Financial provided the Board with a general review of the bonds and the current long-term debt options for the park district. He explained the different models he provided for potential funding of large capital projects. There were discussions on the debt service base and the interest rate of the bonds. Executive Director Kuhs explained he asked Mr. Phillips to project a worst case scenario for potential bond issue amounts for funding the Golf Course project and future Big Surf renovation. There was a discussion on the different scenarios and ways to work with both long term and short term debt. Commissioner Walsh asked if we borrow 2.5 million then do we use it for repayment of existing debt...it was explained that a portion of the annual bond issue is used to make payments on existing debt, and the balance is used for capital replacement equipment or projects. Commissioner Walsh said she would like to see a comprehensive capital project plan. President Doherty would like an easier, broken down list for the Capital Fund.

FINANCIAL ADVISOR'S REPORT

Lee Howard, Financial Consultant, reviewed the year to date departmental expenditures analysis, revenue trends and profitability of the District's key revenue facilities. The district is doing very well and healthy. Commissioner Kurka asked if we are budgeting higher fees or more people are participating. Lee stated it is the increase in participation. Brian Taylor, Director of Recreation also stated we have streamlined the registration process and had an increase in participation. Commissioner Starr asked for a clarification on the adult athletic revenue and budget. Lee and Brian explained the breakdown. Commissioner Kurka would like to look into the charges the district pays for accepting credit cards. Lee said he will review our current rates and see if there are other options to consider. Commissioner Walsh asked if we keep the pools heated. Jim Jarog, Director of Parks & Planning said the district tries to keep the pools at 70-80 degrees and the reflector liner at Meadows Pool is heated by the sun. We try to keep the temperatures consistent.

RATIFICATION OF ACCOUNTS PAYABLE

Commissioner Klicka moved to ratify the payment of the accounts payable for the month of May 2013 for check numbers 165508 through 165789 in the amount of \$894,412.14; seconded by Commissioner Tenuta.

<u>Roll Call Vote</u>	<u>Ayes</u>	<u>Nays</u>
Commissioner Doherty	X	
Commissioner Klicka	X	
Commissioner Kurka	X	
Commissioner Massie	X	
Commissioner Starr	X	
Commissioner Tenuta	X	
Commissioner Walsh	X	

Motion carried.

RATIFICATION OF PAYROLL

Commissioner Klicka moved to ratify the payment of the salaries and wages for 05/08/13& 05/22/13; check numbers 198851 through 199646 in the amount of \$348,158.76; seconded by Commissioner Starr.

<u>Roll Call Vote</u>	<u>Ayes</u>	<u>Nays</u>
Commissioner Doherty	X	
Commissioner Klicka	X	
Commissioner Kurka	X	
Commissioner Massie	X	
Commissioner Starr	X	
Commissioner Tenuta	X	
Commissioner Walsh	X	

Motion carried.

Commissioner Walsh asked what was in the checking account and where are the vouchers paid from. Lee stated the information is on the sheet put in the board packets and checks are written out of the money market account. The petty cash account is approximately \$1,100 for the whole district and is audited.

EXECUTIVE REPORT

Executive Director Kuhs invited Commissioners to participate in the 4th of July parade. Jim Jarog and Greg have a meeting with MWRD and the toll way officials to discuss the O'Hare Cup Site and a possible intergovernmental agreement. Jim stated that the soil results will be coming in the next few weeks. The 5K Super Hero Run was a huge success. The Golf Classic was a very well-run event. Due to the storm that affected the Golf Outing, the volunteers and staff had to do a double set up for the lunch and awards portion. Commissioner Walsh asked how many staff we added for the summer season. Brian Taylor said there are about 300-400 seasonal employees. Commissioner Tenuta asked about the annexation of Walter Cook Maintenance Facility and how that came about. Jim stated it was discussed during a meeting about zoning of the Golf Course and the attorney from the Village brought up the idea of annexing and the re-zoning WC Maintenance Facility. At this point, we are waiting to hear back from the Village concerning this topic.

OLD BUSINESS

Executive Director Kuhs discussed the structure of Special Meetings for discussion only. Greg explained to the Board, each meeting would be structure like a Committee of the Whole meetings and scheduled if needed. President Doherty and Commissioner Tenuta were both in favor. Commissioner Klicka wanted the meetings to be called Special Meetings because the community will pay more attention to the subject matter. Tom Hoffman noted these meeting should be for discussion only with an agenda indicating as such. Commissioner Walsh asked Cathy Miller if the agendas could be put on Facebook. Cathy Miller said that would be fine. Commissioner Starr feels that the Special Meeting for discussion only would be great. President Doherty stated the Foundation will stay the same. Commissioner Walsh would like to see the Citizens Committee formed for topics such as the golf course renovation, future Big Surf renovations, etc. stay the same. President Doherty stated that the Special Meetings would not affect those citizens committees. A patron asked if we could put the agendas in the papers and Commissioner Tenuta stated that all agendas are sent to all local papers for every meeting. The Editor chooses to print the agendas in their papers.

NEW BUSINESS

President Doherty reviewed the request from VFW on renaming the Veterans Fountain. Commissioner Tenuta feels there should be an educational aspect to the Memorial and the plaque should be educational for the youth. Discussion continued with the board about what would be on the plaque. The proofs will be brought back to board for review.

Commissioner Massie made the motion to approve the renaming of the Veterans Memorial; seconded by Commissioner Tenuta and carried by unanimous voice vote.

Commissioner Tenuta made a motion to approve the Amendment to the Agreement between the MWRD and the Mt. Prospect Park District; seconded by Commissioner Massie.

Roll Call Vote

Ayes

Nays

Commissioner Doherty	X	
Commissioner Klicka	X	
Commissioner Kurka	X	
Commissioner Massie	X	
Commissioner Starr	X	
Commissioner Tenuta	X	
Commissioner Walsh	X	

Motion carried.

Commissioner Starr made a motion to approve Green/White Soccer Club to sell beer for the Special Event of July 20 & 21, 2013 at Majewski Park; seconded by Commissioner Tenuta.

<u>Roll Call Vote</u>	<u>Ayes</u>	<u>Nays</u>
Commissioner Doherty	X	
Commissioner Klicka	X	
Commissioner Kurka	X	
Commissioner Massie	X	
Commissioner Starr	X	
Commissioner Tenuta	X	
Commissioner Walsh	X	

Motion carried.

There will be two Special Meetings for discussion only in the month of July in addition to the monthly board meeting; one to continue discussion on the Golf Course Renovation Project (July 8 at 7p.m.); and another meeting for the Board Orientation (July 23 at 5:30p.m.). Please mark your calendars.

Commissioner Walsh made the motion to change the date of the October 23rd Regular Board Meeting to October 16th meeting; seconded by Commissioner Klicka and carried by unanimous voice vote.

President Doherty stated contracts and agreements would be the responsibility of the Executive Director, Greg Kuhs. If there is a need for board approval then the contract or agreement will be placed in the board packets prior to that board meeting.

ADOPTION: ORDINANCE NO. 681

Commissioner Starr moved to adopt Ordinance No.681:

AN ORDINANCE DETERMINING THE GENERAL PREVAILING RATE OF WAGES FOR LABORERS, MECHANICS AND OTHER WORKERS ENGAGED IN CONSTRUCTION OF PUBLIC WORKS COMING UNDER THE JURISDICTION OF THE MT. PROSPECT PARK DISTRICT FOR THE PERIOD OF JUNE 1, 2013 THROUGH JUNE 30, 2014.

seconded by Commissioner Tenuta.

Roll Call Vote

Ayes

Nays

Commissioner Doherty	X	
Commissioner Klicka	X	
Commissioner Kurka	X	
Commissioner Massie	X	
Commissioner Starr	X	
Commissioner Tenuta	X	
Commissioner Walsh	X	

Motion carried.

Attorney Hoffman reviewed information that was pertained to the restrictions and background of the Tamarack parcel that the board will be voting on.

ADOPTION: ORDINANCE NO. 682

Commissioner Walsh moved to adopt Ordinance No. 682:

AN ORDINANCE DECLARING IT NECESSARY OR CONVENIENT FOR THE MT. PROSPECT PARK DISTRICT TO USE, OCCUPY OR IMPROVE CERTAIN REAL ESTATE LOCATED ON TAMARACK DRIVE, IN MT. PROSPECT, ILLINOIS, FOR PARK AND RECREATIONAL PURPOSES.

seconded by Commissioner Starr.

Roll Call Vote

Ayes

Nays

Commissioner Doherty	X	
Commissioner Klicka	X	
Commissioner Kurka	X	
Commissioner Massie	X	
Commissioner Starr	X	
Commissioner Tenuta	X	
Commissioner Walsh	X	
Motion carried.		

ADJOURNMENT

There being no further business to discuss, President Doherty moved to adjourn the Regular Board Meeting at 9:30 p.m.; seconded by Commissioner Kurka and carried by unanimous voice vote.

Respectfully submitted,

Bill Starr, Secretary