

MINUTES OF A WORKSHOP MEETING OF THE BOARD OF PARK
COMMISSIONERS OF THE PARK DISTRICT OF HIGHLAND PARK HELD
THURSDAY, SEPTEMBER 10, 2009 AT 4:00 P.M. AT WEST RIDGE CENTER IN THE
CONFERENCE ROOM, 636 RIDGE ROAD, HIGHLAND PARK, ILLINOIS 60035

Present: President Werhane, Vice President Waxman, Commissioner Bernstein,
Commissioner Rosenbaum and Commissioner Weiss

Also Present: Executive Director McElroy, Director Baker, Director Coutts, Director
Donahue, Director Stumpf, Director Swan, Manager Carlo, Manager
Gruenes, Manager Huegel, Manager Meyer, Manager Naatz, Coordinator
Stockdale and Administrative Office Clerk Suritz

Guests: Dave Knutte, Knutte & Associates

The Workshop Meeting was called to order at 4:04 p.m.

AUDIT REVIEW

Director Swan presented the Comprehensive Annual Financial Report (CAFR) for the District dated March 31, 2009 along with the Audited Financial Statements performed by Knutte & Associates. Director Swan stated that Dave Knutte and his staff did a great job. They were very efficient and thorough, as was the Park District's Business Office staff, all of whom also contributed greatly. Knutte & Associates has issued the Park District a "clean opinion" that the financial statements present fairly, in all material respects, the financial position of the District. This financial report will be submitted to the GFOA for their Certificate of Achievement for Excellence in Financial Reporting that the Park District has been awarded for the last 15 years.

Director Swan reported that the financial condition of the Park District remains strong, stable and viable and shows the fiscal responsibility of the Board, all of which is confirmed by Moody's maintaining their Aaa rating, and that fund balances were very healthy.

Director Swan noted some of the District's accomplishments including: secured a \$250,000 grant from the State of Illinois; applied for an OSLAD grant in the amount of \$400,000; the District's ability to fund the lakefront pavilion project; the completion and dedication of the Brian P. Schwartz memorial ball field at Sunset Woods Park; Foley's Pond Fishing Pier; the District's 100-Year Anniversary celebration; and the new Executive Director transition.

The Park District received several awards that included: the GFOA Certificate of Achievement for Excellence in Financial Reporting Award; Moody's Aaa Rating; PDRMA Wellness Award; IPRA Environmental Stewardship Award; continued the District's IAPD Distinguished Agency status; IPRA Agency Showcase for the Camp Brochure Cover, the Recreation Center of Highland Park Newsletter and the Seasonal Brochure Cover Series; and retained the District's PDRMA Accreditation.

Major initiatives this year will include: the lakefront pavilion; community-wide survey; Moraine Sculpture Park improvements; restoration of the wetland habitat at Skokie River Woods; Lake County Stormwater Management \$380,000 grant; playground renovations at Larry Fink Memorial and Carroll Snyder Parks; as well as fleet replacements, all of the maintenance items, computers, equipment, roofs, landscaping, dredging, asphalt, etc.

Commissioner Bernstein asked why there was an increase in liabilities on District-wide financial statements. Director Swan replied that the financial statements include amounts for the unfunded pension (IMRF) obligation which GASB requires the District to record as a liability. In 2007 IMRF was +100% funded, but in 2008 IMRF had a loss of -24.8% (\$6.1 billion) on investments. IMRF has a five-year plan to return to 100% funding. The Park District must recognize its share of potential liability on financial statements. The District has solid fund balances and conservative levy practices for just such an occurrence and should have no significant impact on operations.

Director Swan then introduced Dave Knutte of Knutte & Associates. Mr. Knutte reported that the overall fund balances and net assets were healthy, positive numbers and all records were in order. He also stated that the ratio of property tax revenue to total revenue was 50/50 which shows a good job of generating program revenue.

Mr. Knutte highlighted some areas of interest to the Board including overall fund balances, investments, consistent and steady revenues, and consistent expenditures. Mr. Knutte stated that all funds have a surplus except the Golf Course Fund which is not unusual. The Golf Learning Center has a -0- fund balance as the generated surplus is transferred over to the City. All in all, there is a steady increase in revenues from 2004 to 2009.

Commissioner Bernstein asked if there were any concerns with trends in any fund balances. Mr. Knutte had no concerns. The Board thanked Mr. Knutte.

ACTIVITY BASED COSTING MODEL

Director Swan reported that the Activity Based Costing (ABC) Model shows a relatively stable fluctuation in total subsidy from \$1,608,187 in 2002 to \$1,351,241 in 2009, a decrease of \$256,946 (15.98%). The spreadsheet summarizes the data and shows total revenues increased \$2,847,400 and total expenses by \$2,602,424 from 2002 to 2009. The most significant improvement during this period was the addition of the Recreation Center of Highland Park in 2006. The financial condition of the District also remains solid as seen in the Audit. Under the costing methodology, the recreation program budget worksheet has been updated and will be used by staff in preparation of next year's budget. The model and worksheet represent the District's continuing effort to remain fiscally responsible and to ensure the cost efficiency of the entire District.

Commissioner Weiss stated that the program is very successful and much appreciated. The Board thanked Director Swan and his staff.

PARK PROJECTS UPDATE

Director Stumpf stated that the District is entering a very busy time of in-ground park development and reviewed some of the current working projects.

Larry Fink Memorial Park Improvements – Preparation and demolition began yesterday. This included deliveries and removal of some of the older benches. The elementary playground will follow soon. All items are ordered, in storage and ready for installation. He reminded the Board that this project includes the elementary playground replacement, tot lot resurfacing, landscape improvements and new site amenities including park benches, cooking grills, a fitness trail around the park and the District's first bag-o-court. This project will be completed within five to six weeks.

Foley's Pond Park – The deck and path are complete as is 90% of the landscape work.

Skokie River Woods – This is going to be a long project, actually five years, and a good portion will include monitoring and maintenance. Surveying of the property is complete. Permits are being completed with the Army Corps and the Lake County Stormwater Management Commission and will be submitted for approval. Vegetative removals will begin sometime in late October.

District-Wide Asphalt Project – Recently West Ridge's south parking lot was completely repaved and striped. The Old Elm tennis courts have been paved and await color and striping. Sunset Woods Park's asphalt courts were completed last week and reopened on Monday.

Moraine Park Improvements – The pathway installation has been underway the last few weeks. There are two variations – one is a flagstone path and the longer pathway is a crushed red granite path. Landscaping around the sculptures is currently being installed. The low-level lighting for the sculptures themselves and associated electrical systems are to be installed next week.

Commissioner Bernstein asked about the condition of the stairs at Central Park. Director Stumpf replied that they are in the same condition but there's not much that can be done unless the bluff is physically altered. Staff has met with the City regarding a proposal that might save everyone money and lead to resolving the stair issue. Staff will have more to report over the next few weeks.

INTEGRATED PEST MANAGEMENT (IPM) PROGRAM UPDATE

Director Baker explained that staff is reviewing the IPM Program to address residents' concerns and implement them into the program, as well as for potential policy adoption. As most of the concerns received are regarding turf (broadcast) applications, staff is looking further in order to address and encompass all areas within the Park District before creating a policy.

Director Baker reported on the proposed highlights. He stated that this year the fertilizers used are all organic, although they are more expensive and take more manpower. Staff has begun collecting data and monitoring weed populations for athletic fields and park sites to establish base points and trends in order to target resources and maintenance needs.

Staff is researching increasing the amount of notification for "broadcast" herbicide applications by using multiple sources, increasing the amount of signs at application sites and extending timelines for broadcast notifications. The District currently notifies people through email and would like to possibly expand that to website notification and putting out larger, maybe some permanent, signs.

Staff is also looking into creating a classification of turf areas to match expected or needed levels of maintenance to maintain healthy growing turf suitable for its intended purposes, such as athletic fields, aesthetic areas and passive areas. Staff will continue to address turf cultural management items this fall to evaluate turf status and the potential need for herbicide applications, and will continue to develop and refine the IPM Program for implementation next spring.

Commissioner Rosenbaum stated that she was at a golf course in Wisconsin that had a large, visible sign listing their application specifics, contact person and number. It was nicely worded and attention-getting. She felt that more visible signs giving open, up-front information on applications would put people more at ease.

Commissioner Bernstein wondered if there was any more interaction with the group from last spring who had concerns about the applications. Director Baker replied that the group still keeps in touch regarding applications and responds to the email notifications. Commissioner Bernstein suggested keeping this group informed on any information and plans as much as possible.

Discussion ensued regarding athletic fields, some of which have a higher demand of use and are getting very worn, and the concerns regarding the condition of the fields, especially the weeds. There is no organic weed killer and staff has tried alternatives and is experimenting with others to try to control the weeds. The fields need to be evaluated, prioritized and ranked a certain level in order to justify using chemicals and staff is awaiting direction from the Board to target and de-weed these fields. The Board concurs with staff that prioritizing and evaluating the fields is a good start. Staff will be working on this over the winter and report back to the Board with a more refined plan.

COMMISSIONER/COMMITTEE/STAFF REPORTS

Commissioner Rosenbaum complimented the staff at both Sunset Valley Golf Course and Hidden Creek AquaPark for a fabulous job this summer. She commended their attitude and responsibility in completing their jobs. President Werhane seconded those sentiments.

Executive Director McElroy mentioned that the staff appreciation picnic at Independence Grove yesterday was well attended and received, and she commended staff on a great job this summer and in helping with her transition. She also stated that she sent an email to staff regarding the organizational changes that will be made official at the September 24, 2009 Regular Board Meeting and looks forward to moving ahead to better the District.

It was agreed that the September 24, 2009 Regular Board Meeting will begin at 5:00 p.m. instead of 6:00 p.m. due to the High School's Open House that evening.

COMMUNITY ATTITUDE AND INTEREST SURVEY UPDATE

Executive Director McElroy and Manager Meyer will update the Board on the Community Attitude and Interest Survey at the Focus Group which immediately follows tonight's Workshop Meeting.

ADJOURNMENT

There being no further business, a motion was made by Commissioner Bernstein, seconded by Vice President Waxman, to adjourn the Workshop Meeting at 5:09 p.m.

Motion carried.

Secretary