I. Call to Order
President Mayo called the meeting to order at 10:05 a.m.

II. Roll Call of Commissioners
Upon roll call, those answering present were Commissioners Nephew, Creech, Cornell, Kinzler, Pierce, Dunn and President Mayo.

Staff members present were Executive Director Harris, Superintendent of Finance & Personnel Cinquegrani, Superintendent of Recreation Esposito, and Executive Assistant Dikker.

III. Public Participation
None.

IV. O.S.L.A.D. Resolution
Executive Director Harris presented the O.S.L.A.D. grant application for Lake Ellyn Park and moved for the Glen Ellyn Park District Board of Commissioners to approve the “Resolution of Authorization” to submit as a condition of the grant application including affirming that the Park District has the necessary funds for the project and that the Park District must comply with the conditions, terms and regulations of the OSLAD program should the District be fortunate to be selected as a grant recipient. Harris stated that the Park District would most likely apply for the maximum $800K, of which $400K is matched by OSLAD. Specific components of the grant have not yet been finalized. Concerns were raised by Commissioner Dunn and Commissioner Pierce regarding the resolution not having specific language regarding a not to exceed amount. After assurance that the maximum amount the Park District would have to contribute would be $400,000, they along with the other members of the Board were satisfied.

Commissioner Dunn moved, seconded by Commissioner Kinzler, to approve the attached “Resolution of Authorization” specific to the O.S.L.A.D grant application for improvements to Lake Ellyn Park.

Roll Call: Aye: Commissioners Dunn, Kinzler, Nephew, Cornell, Creech, Pierce and President Mayo.

Nay: None. Motion Carried.
V. Strategic Session
President Mayo thanked commissioners, staff, and attendees for all of their hard work and for giving up their Saturday to discuss the projects within the Glen Ellyn Park District. He especially thanked Don St. Clair of the Citizens Finance Committee (CFC) for the countless hours he spent preparing and providing the Park District’s current financial state utilized as the base to discuss these future potential projects.

Executive Director Harris introduced Barbara Heller, the facilitator of the strategy session, and discussed the day’s schedule along with setting the parameters for the meeting.

Executive Director Harris began the discussion and highlighted how fortunate Glen Ellyn Park District is to have many wonderful and diverse assets including neighborhood parks, community properties, athletic fields, green space, water elements and recreational facilities. Harris stated that the responsibility of the Park District is to serve as stewards in preserving, protecting, and enhancing its assets for the long-term betterment of the community and to develop and evolve these assets to continue to maximize benefits for patrons. Harris then stated that today’s meeting is to provide a review of the Park District’s financial conditions, identify annual capital expenditures along with a ten year projection of capital expenditures in order to maintain current and existing assets of the District. The final task will be to review the recent studies that have identified services and assets that some community members and organizations would like the District to consider, including the improvement of Lake Ellyn Park, Ackerman Park, and the addition of an indoor aquatic center. The objective will be to provide a capital project road map with defined budgeting and financial information to assist in identifying direction and priorities. Harris then turned the meeting over to Don St. Clair from the Citizens Finance Committee (CFC).

St. Clair then reviewed the long-term financial conditions and projections of the Park District. Please refer to the Vision Quest – Creating a Strategic Road Map For Future Capital Needs of The Glen Ellyn Park District for more detail including the charts and graphs of detailed financial analysis. St. Clair then stated the CFC takes a different approach than the Fund approach when looking at the financial analysis and separates operations from capital so they can review and analyze operations on a year to year basis. The Park District will be looking at year 2015 individually and then will look at future years in 5 year blocks. St. Clair then stated that they have shown two scenarios; the first showed issuing no new debt while scenario two showed the issuance of non-referendum debt. Everything in this presentation excluded referendum debt.

In the first scenario, (issuing no new debt), most of the District capital funds come from operating surplus while some comes from direct capital inflows such as special-recreation levies, asset sales, and investment returns. Grants and donations were assumed to remain at a constant level. St. Clair categorized future capital expenditures into two areas; “ongoing” replacement expenditures, which warrant frequent ongoing maintenance and “when needed” replacement expenditures which have a longer life span but will need replacement at some point in the future. We have estimated that ongoing replacement expenditures, including
things such as playgrounds, paving, vehicles etc., will require an annual estimated replacement amount of $530,000 per year in years 2016-2020. The “when needed” expenditures will average $275,000 per year for the years 2016-2020 and include items such as roofs, pool decks, HVAC’s etcetera. Averaging costs to achieve an annual amount helps the Park District to budget accordingly for such items. A majority of our capital funds comes from operating surplus. When looking at the next 10 years to 2025, again looking at no new debt, the Park District is in good financial shape and should be sufficient to fund an ongoing stream of capital improvements. This does not reflect any potential grant money that may be received or unforeseen expenses.

In the second scenario, (issuing non-referendum as permitted under existing authorities, which does not require taxpayer approval), with the same expenditures as discussed, the district would only require an operating surplus of $100,000 to meet projected capital replacement expenditures. This would leave the district with additional funds for capital projects/improvements in the next 5 years and an even better position in the next 10 years as other financial obligations are satisfied. Planning targets established for future operating surplus will determine the magnitude of an ongoing stream of capital improvements that can be supported. With continued operating surplus and by issuing non-referendum debt as permitted, the district would have the ability to fund $2.6 million in improvements in 2016-2020. Without non-referendum debt the district would only be able to maintain current assets and fund no capital improvements.

Under both scenarios note that by authorizing a capital improvement; the district effectively commits to future replacement expenditures. Once we discuss our potential capital improvement projects the district can input those items to project needed funds for maintenance and replacement. Potential projects may increase revenue while others may generate no revenue. St. Clair concluded the discussion stating the goal today was to discuss potential projects and go back with the projections as to funding possibilities or needs.

Barbara Heller then discussed the current initiatives and reviewed the Community Survey study from 2012. The list of Current Initiatives that were discussed was; the community survey, the Lake Ellyn Master Plan, the Ackerman Park Master Plan, and the Indoor Aquatic Feasibility Study. According to the Community Survey 70% of households indicated they have used Lake Ellyn Park during the last year followed by 48% using Ackerman Park. Park District facilities that were used during the past 12 months include Sunset Pool, Lake Ellyn Boathouse, Ackerman Sports and Fitness Center, Holes & Knolls Miniature Golf followed by Main Street Rec Center. According to the survey, 90% of households indicated that their needs are being met 75% or more with regard to large community parks. The four recreation facilities that were most important to households were walking and biking trails (38%), green space and natural areas (34%), outdoor swimming pools/water parks (29%), and small neighborhood parks (24%). An indoor pool scored 16% in the top 25% of all GEPD facilities. The survey also showed that households have a need for community special events, adult fitness programs, youth sports and rec leagues, and adult swimming programs. Three of the top 8 programs were aquatic related. Regarding the level of importance, 75% of households indicated that maintaining park district
facilities and property was very important. Other actions with similar level of importance included developing new walking trails/connecting existing walking trails, improving/restoring park district natural areas, and upgrading Lake Ellyn including the Boathouse. The three actions that households were most willing to fund with their tax dollars would be maintaining park district facilities and property (31%), upgrading existing neighborhood and community parks (29%), upgrading Lake Ellyn Park, including the Boathouse (29%), developing new walking trails/connecting existing trails (28%), and developing an indoor swimming pool at Ackerman Center (27%).

Executive Director Dave Harris reviewed the financials of the Glen Ellyn Park District. Harris highlighted how the CFC, Citizens Finance Committee, was formed 3 years ago to help guide and review the Park District’s financial direction. The first item staff looked at was our annual capital expenditures, and analyzed our expenditures to arrive at a yearly maintenance/replacement schedule. Items included in this list were playground replacement, lighting, fencing, asphalt, and field repairs. Also included was tree maintenance and equipment replacement which totaled an average yearly capital expense of $530,000. Harris then discussed the Long Range Capital Replacement Schedule for the 2015 Proposed Capital Budget. This list included the Forest Preserve Payment which will be completed in 2018, native restoration, planting beds at softball “Hub”, Johnson Center Roof, Sunset pool repairs, Newton Park restroom repairs and skate park renovations, as well as a Newton Service Park entrance. Harris then discussed the projected cost of the 2010-2020 projected capital projects and how they arrived at the yearly cost of $161,660. Harris then discussed the 2021-2025 list of projected capital projects and explained how the yearly average of $238,600 to repair or replace those items was derived. In combining the above yearly maintenance expenditures with the annual repair and replacement expenditures, a total annual capital expenditure cost of $691,660 for years 2016-2020 and $768,600 annual cost for years 2021-2025 was identified. With all this being said, barring any unexpected costs, the Park District is able to maintain these expenditures in the years ahead without any non-referendum debt. However, this does not allow for any new capital projects to be funded or to address any unforeseen events such as storm related events.

The next component of the Strategy Session was to analyze the projected capital projects and the phases and costs of each project.

Lake Ellyn Master Plan
Lake Ellyn Master plan was approved in January, 2013. The project was divided into several phases with different categories and elements allocated within each phase. The phases were: Lake Ellyn, Ruth Candy Parkway, Sam Perry Nature Preserve, Northwest Landscape, Southwest Landscape and Boathouse and Surrounding Use. The estimated cost of the projected phases in entirety total $6.25 - $12 million. Without significant capital funds, the plan would take considerable time to implement parts of the proposed items. While over the long term, funds are available for the smaller components, each phase would be spread out over the long term with limited capital funds to remain. The Board of Commissioners ranked the order of importance of the different phases to achieve an average prioritized list. While the Board has
varying priorities within the project, all were unanimous in ranking the historic restoration of the Boathouse as their number one priority.

Ackerman Master Plan
Ackerman Park Master Plan was approved in February, 2014. A potential indoor aquatic center has been included within the site plan. Lakers Soccer organization has expressed their continued desire to have at least one and ideally two synthetic turf fields installed at lower Ackerman. Additionally, the Lakers are optimistic about creating a funding plan that does not use District Financial resources. The District is tentatively planning to remove softball fields #4 and #5 to create additional green space. The Master Plan has been broken into short term, 1-2 years, mid-term, 2-5 years, and long-term, 5-10 year sections. Trails and Connectivity was rated at the top of the Board’s priority list. Director Harris did remind the Board that the community survey prioritized the maintaining of the District’s assets as an overall priority and that Ackerman Park is a valuable asset that has not had significant resources dedicated to the site over the past 20+ years.

Indoor Aquatic Center
The Glen Ellyn Aquatic Initiative (GEAI) paid for and provided a feasibility study for the possibility of an indoor aquatic center at Ackerman Park. The Park District accepted the report in April, 2014. The CFC also provided analysis of the feasibility study. The study included 4 design options for the aquatic center ranging in price from an estimated $7.5 million to $16 million. This project far exceeds the Park District’s ability to fund through revenue sources other than a referendum. The projections do identify that Options 2, 3, and 3(A) generate operating surplus within the first three years. The Board discussed the ability of the Park District to maintain this asset over the life of the facility if a referendum were to pass. The Commissioners also discussed the fact that other projects discussed earlier may take precedence over the indoor aquatic center and they would like to see those projects completed in a timely fashion and perhaps be included if a referendum is conducted. The Board then discussed which of the pool options they were in favor of should the community show an interest. Commissioners Kinzler and Cornell were in favor of Option 1 while Commissioners Dunn, Creech, Nephew, Pierce, and President Mayo were in favor of Option 2. Commissioner Pierce would be in favor of Option 3 with some changes and stipulations. Commissioner Cornell stressed her hesitance to commit Park District dollars and her hesitance to put this project out to referendum due to the large cost factor and in restricting funds for years to come.

Other Considerations
The Board then discussed other projects that may be of importance to the Glen Ellyn Park District. Commissioner Creech suggested a consideration to budget or plan for purchasing properties to create open space within areas where the district currently does not provide any. Commissioner Kinzler spoke about selling some underutilized park space while Executive Director Harris also suggested the possibility of selling a small parcel of land. Commissioner Dunn suggested possibly jointly using a maintenance facility with the Village of Glen Ellyn. Commissioner Nephew suggested looking at partners to help with funding an
indoor aquatic center. Commissioner Nephew also agreed on repurposing the Johnson Center in order to sell and move maintenance facilities elsewhere.

Executive Director Harris then introduced Dave Phillips of Speer Financial. Harris stated that we have established that the Glen Ellyn Park District has the ability to maintain current and existing assets utilizing operating surplus and non-referendum bonds, assuming the Park District maintains the current operating levy and fully utilizes non-referendum bonding authority. If the Park District chose to pursue implementation of certain elements of Lake Ellyn Park Master Plan and Ackerman Park Master Plan, it could possibly do so without the use of referendum bonding. However, implementation of those plans would need to be completed over an extended period of time due to the limited funding available. If the Park District chose to implement the indoor aquatic center as one of those projects, the District would have to seek voter approval to issue general obligation bonds to fund that project. Dave Phillips then discussed the ramifications and strategies if the Park District decided to seek a referendum. Mr. Phillips then discussed the mechanics of requesting a referendum from timing of the referendum, amount of the referendum, to the actual wording of the referendum itself. It was discussed that a poll could be implemented to calculate the interest in the details of the projects and then potentially seeking a referendum for the November 2014 ballot. The Board, with the exception of Commissioner Dunn, decided to pursue a possible referendum including an indoor pool to allow the community to decide if this project should be put forth. The referendum amount suggested was $16-17 million which would be used to fund an indoor aquatic facility - option 2, Lake Ellyn Boathouse historic restoration, Ackerman field repairs / trail connectivity, and land acquisition. The suggestion of additional polling to further gauge the community interest and possible support was suggested as well as determining the thresholds in the items discussed at today’s Strategy Session.

XI. Adjourn

There being no further business, Commissioner Kinzler moved, seconded by Commissioner Dunn to adjourn the Regular Meeting at 2:50pm.

Motion Carried.

Respectfully submitted,

Dave Harris
Board Secretary