

**LAKE BLUFF PARK DISTRICT  
BOARD OF COMMISSIONERS  
MINUTES OF REGULAR COMMITTEE OF THE WHOLE MEETING  
JANUARY 8, 2018**

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

The meeting was called to order at 6:30 p.m. by President Douglass.

The following Commissioners were present when the roll was called: B. Gordon, C. Mosbarger, F. Pitera, B. Wallace, and R. Douglass.

Commissioners S. Ehrhard and K. McKendry were absent with prior notice.

Staff members present were Ron Salski, Executive Director; Jim Lakeman, Superintendent of Recreation, Safety, and Outreach Services; and Marcia Jendreas, Recording Secretary.

Also present were George Russell and Charlie Roberts, Committee Members; Dan Berg and Bart Kowalczyk from Sikich LLP; and Jeff Andreasen, aQity Research President.

**Approval of Agenda**

Commissioner Wallace moved, seconded by Commissioner Gordon, to approve the January 8, 2018 Agenda as submitted.

**On the roll call, the vote was as follows:**

**AYE:** B. Gordon, C. Mosbarger, F. Pitera, B. Wallace, R. Douglass

**NAY:** None

**ABSTAIN:** None

**ABSENT:** S. Ehrhard, K. McKendry

**Motion carried.**

**Statement of Visitors - None**

**NEW BUSINESS**

**2018-2029 Capital Improvement Plan – Sikich LLP Presentation**

Executive Director Salski explained that he and the Finance, Administration and Future Planning Committee agreed to revise the original 20-year Capital Plan to a 15 Year Capital Improvement Plan because it aligns with significant debt expiring in 15 years. Plus, some major improvements were completed the past five years. He said the Board agreed to retain Sikich LLP to assist staff with analyzing and updating the Capital Improvement Plan by prioritizing improvements in phases. Sikich LLP will also present a clear and concise Plan with and without golf course capital improvements.

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Dan Berg, from Sikich LLP, explained that a 30-year plan was not manageable, so it was broken down into three 4-year increments (total 12-year plan through 2029) to make it more usable. He reviewed the current capital reserves, and commented that a large amount of debt will be rolling off in the year 2031. The largest capital improvements identified by Staff include the Golf Course (\$2.77 million) and the Recreation Center \$1.73 million). The total capital needs identified for the next 12 years came in at \$8.05 million. After taking into account the current capital reserves held and the borrowing capacity over the next 12 years, the net shortfall is \$5.60 million.

Given the magnitude of the shortfall, Mr. Berg said that he and Bart Kowalczyk took a tour of all parks and facilities and tried to find opportunities to reduce the shortfall. Some ideas included closing the golf course; using a trailer leasing option rather than rebuilding the Clubhouse; abandon skate park project; any projects that are \$10,000 and under should be placed under the Operating Budget; use ADA (funded by a separate fund). These changes would reduce the 12-year shortfall by between \$2.23 million to \$4.17 million, depending on what option is chosen for the golf course. Thus, the adjusted capital funding shortfall would range between \$3.36 million at the high end if the golf course remains open with a leased trailer option, to a \$1.26 million shortfall at the low end if the golf course were to be closed.

Commissioner Wallace questioned if positive cash flow could be generated if the District did not operate the golf course, which could be used to fund some or all of the identified capital needs shortfall. He commented that when the original Capital Improvement Plan was created, the Committee focused on getting the District to 2030, when debt drops off.

Executive Director Salski stated that the Park District organizational structure would look different if there is no golf course. He said staff is working on a new structure and will provide that information to the Board in the near future. The next step would be for Sikich LLP representatives to return either February 5<sup>th</sup> or February 26<sup>th</sup> to talk about how the numbers look with and without the golf course. Commissioners were polled and felt that there could be more discussion at the Committee of the Whole Meeting on February 5<sup>th</sup>. Mr. Salski noted that Billy Casper was not in favor of reducing the course to nine holes because most maintenance costs would still exist, and there would be less revenue. Commissioners requested that a representative from Billy Casper be present at the February 5<sup>th</sup> Meeting to discuss the nine-hole option.

Committee Member Roberts asked what was the alternative use for the property should the golf course close. Executive Director Salski said that the District would have community meetings for discussion on what is the best use of the land. Member Roberts said that the community should be aware that the Park District will not consider a tax increase to continue operation of the golf course.

Commissioner Wallace said that the Board needs to first decide whether or not the existing 18-hole golf course should be closed or remain open, whether it should be reduced to a nine-hole course, or whether it should become a range/practice area only, and that is the number one decision. The main reasons for the golf course closure would be loss of revenue because of less golfers, renovation of the clubhouse and low number of resident golfers. He commented that rates cannot be raised to make money because the competitive environment won't allow it.

Commissioner Pitera wondered if golfers could get resident rates with Deerpath, or some other kind of deal, to make it less painful if the Park District's golf course closes.

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Committee Member Russell asked that the District could ask the County to run it. Commissioner Wallace said that the Park District needs to make their decision first about keeping it open or closing it before looking at other possible alternatives

Dan Berg and Bart Kowalczyk exited the meeting at 7:30 p.m.

### **Communitywide Survey Results – aQity Research Presentation**

Jeff Andreasen, aQity Research President, explained that the Communitywide Survey was a joint survey with the Park District, Village of Lake Bluff, and School District #65. He said the results are based on a community survey completed by a sample of 381 households within the Park District boundaries, and there were 10% responses. Data was collected between October 14 and November 16, 2017, and residents were given the option of on-line, phone, or paper survey.

Mr. Andreasen reviewed the broader findings and said that there is a very strong esteem for the Lake Bluff Park District overall. A list of facilities of interest or need among residents included: beach, trails, open natural areas, fitness center, swimming pool, driving range, and golf course. The top three were beach, trails, and fitness center. When asked where residents go to get Park District information, the #1 answer was “On The Bluff” newsletter. 31% cited the quarterly program guide for information, and they mentioned the direct emails and website.

In conclusion, Mr. Andreasen said that overall, most resident’s needs are being met. There was mention of adding a dog park and maybe a skate park in the future.

In reviewing and survey results, Commissioner Pitera noted that concern about high property taxes is a big issue with people also.

Executive Director Salski said that approval of the Communitywide Survey will be placed on the January 22, 2018 Regular Board Meeting agenda.

Mr. Andreasen exited the meeting at 8:14 p.m.

### **VERBAL COMMUNICATIONS**

**Staff:** Executive Director Salski advised that the District’s communications consultant will give a board training after the Regular Board Meeting on January 22, 2018. And, Sikich LLP will give a presentation on how the District’s Capital Plan will look with and without the golf course on Monday, February 5.

Executive Director Salski outlined a timeline for discussion about the golf course. He recommended that two or three meetings would be held for public comments on the golf course situation pending Board discussion in March. Executive Director Salski recommended the Board make their decision as to whether the golf course stays open or closes, at the April Regular Board Meeting.

Commissioner Mosbarger suggested the course stay open in 2018 if the Board made a decision to close the course. Executive Director and Board Members agreed.

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Committee Member Russell expressed his concern about too quick of a decision. Executive Director Salski mentioned there has been extensive planning that has occurred over the years and information provided to the Board. However, he will slow down the process if directed by the Board. Commissioner Wallace said that the Board has been discussing the subject since 2015, and have made some big changes, but the District is still losing \$300,000 per year.

There was discussion about when to announce the decision if the Board decided to close the course, and comments made were to announce it later so that leagues are all in place for the year, or maybe golfers would be nostalgic and golf more. Committee Member Roberts said he didn't think it would make any difference in the number of golfers, when a decision is announced.

## **ADJOURNMENT**

There being no further business, motion was made by Commissioner Wallace, seconded by Commissioner Mosbarger to adjourn the meeting at 8:34 p.m. The motion carried by unanimous voice vote.

Approved this 22nd day of January 2018  
Board of Commissioners/Lake Bluff Park District