

MINUTES
Mundelein Park & Recreation District
Committee Meeting
October 28, 2024

The Committee Meeting of the Board of Park Commissioners of the Mundelein Park & Recreation District, Mundelein, Lake County, Illinois, was called to order at 7:00 p.m.

Present were Commissioners BURTON, FRASIER, McGRATH, ORTEGA, and President KNUDSON.

Staff present were Executive Director SALSKI, Director BERG, Director FOSTER, Director KARL, Manager LAWRENCE, and Director McINERNEY.

Visitors present were Ron Greenberg, Aaron Gold, and Anthony Miceli.

President KNUDSON asked if any visitors wanted to make a comment. None were made.

President KNUDSON asked if there were topics from the Regular Meeting agenda to discuss.

Executive Director SALSKI outlined three goals of the meeting which were to educate the Board and Staff on the District's debt schedule and opportunities, gain consensus whether to issue debt after the 2026 Bond expires, and gain consensus whether to capture additional funds. Director McINERNEY introduced Aaron Gold and Anthony Miceli from Speer Financial Inc. who would be independent advisors to the District on revenue and tax decisions. They stated that Speer does not underwrite any of the transactions. Mr. Gold and Mr. Miceli explained their background and company expertise.

Mr. Gold gave a PowerPoint presentation and explained four Park District Financing Alternatives such as Property Tax Supported – General Obligation Park Bonds & Non-Referendum General Obligation Park Bonds and Non-Property Tax Supported – General Obligation (Alternate Revenue Source) Park Bonds & Debt Certificates. He explained the definition of each one, source of repayment, constraints and opportunities. He said Property Tax Supported are bonds paid directly from property taxes. A Non-Property Tax was pledged debt through revenues. The revenues could be captured through user fees or non-referendum General Obligation Park Bonds. President KNUDSON asked what the advantage was to alternate revenue bonds. Mr. Gold responded that it would bridge the gap for funding, but the District would still need a funding source. Mr. Miceli added that the District hadn't captured the full capacity each year as it decided to structure a 10-year note to directly pay off the debt. He said the debt was currently outstanding until 2026 but has debt capacity of \$34,491,879. Executive Director SALSKI stated Alternative Revenue Bonds were used in the 90's for Community Centers and Golf Courses.

There being no further business, Commissioner ORTEGA moved to adjourn at 7:29 p.m., second by Commissioner FRASIER. A voice vote was taken with all voting yes.


Secretary

MINUTES
Mundelein Park & Recreation District
Regular Board Meeting
October 28, 2024

The Regular Board meeting of the Board of Park Commissioners of the Mundelein Park & Recreation District, Mundelein, Lake County, Illinois, was called to order at 7:30 p.m. by President KNUDSON and he asked the assemblage to rise and recite the Pledge of Allegiance.

President KNUDSON directed the Secretary to call the roll. Present were Commissioners BURTON, FRASIER, McGRATH, ORTEGA, and President KNUDSON.

Staff present included Director BERG, Director FOSTER, Director KARL, Director McINERNEY, Manager LAWRENCE and Executive Director SALSKI.

Visitors present were Ron Greenberg, Aaron Gold, and Anthony Miceli. No statements were made.

President KNUDSON requested a motion to approve the minutes of the Committee and Regular meetings on October 14, 2024. Commissioner ORTEGA moved to approve the minutes of the Committee and Regular meetings on October 14, 2024, second by Commissioner BURTON. President KNUDSON repeated the motion, asked if there were any corrections or additions. None were raised. A voice vote was taken with all voting yes.

President KNUDSON read the Warrants needed to be approved. Commissioner McGRATH moved to approve Warrants: 102124, 102224, 102524 and 102824 = \$393,179.21 second by Commissioner ORTEGA. President KNUDSON repeated the motion, asked if there were any questions. None were raised. A roll call vote was taken with Commissioners McGRATH, ORTEGA, BURTON, FRASIER, and KNUDSON voting yes.

President KNUDSON asked for approval of the September Financial Report. Commissioner ORTEGA moved to place the September Financial Report on file, second by Commissioner FRASIER. President KNUDSON repeated the motion and asked if there were any questions. Executive Director SALSKI said the financials could show a better surplus as there were budgeted expenses for Kracklauer Park project that may not necessarily be realized due to the number of grants. He said the Capital Year-End Fund Balance may change but he and Director McINERNEY were waiting for a projected final budget from the Architect. A roll call vote was taken with Commissioners ORTEGA, FRASIER, BURTON, McGRATH, and KNUDSON voting yes.

President KNUDSON requested a motion to file the September Police Report. Commissioner FRASIER moved to place the September Police Report on file, second by Commissioner McGRATH. President KNUDSON repeated the motion and asked if there were any questions. None were raised. A voice vote was taken with all voting yes.

President KNUDSON asked if there was any correspondence. Executive Director SALSKI presented a letter from J&J Gaming congratulating Steeple Chase Golf Club for their new gaming license.

President KNUDSON stated the Speer Financial, Inc. discussion would continue under Old Business. President KNUDSON asked if the availability of funds would be available without projects identified. Mr. Miceli stated reasons are needed to spend and suggested an issuance to explain the reasons. Commissioner McGRATH asked if the District needed a documented plan. Mr. Miceli responded by suggesting the District needed to clearly define a spend-alone schedule that was reasonable and regimented. President KNUDSON asked if the debt was staggered. Commissioner BURTON asked if the District could levy \$185,000 for the 2024 Levy. President KNUDSON asked what the payback was. Mr. Gold responded an annual rollover bond could be issued in February and payback would be in November. President KNUDSON asked what the impact would be to the taxpayer. Mr. Miceli said it would be \$15 for the year. Commissioner BURTON added the District could capture it for maintenance. President KNUDSON suggested utilizing funds for new projects such as expansion. Mr. Miceli said there were low transaction costs. It was also a perception, not an impact. President KNUDSON asked if the costs were going up each year. Mr. Miceli stated the full debt service amount would go up, but the Board has a chance to reduce the number the following year. The Board had a consensus to capture the \$185,000 for 2025 Budget. Executive Director SALSKI discussed the fund balance. Mr. Gold provided two options to capture the fund balance.

President KNUDSON requested a discussion regarding the 2024 Tax Levy. Executive Director SALSKI stated it was important to have the discussion before posting it in the newspaper. He said the District included the full amount in the budget. Director McINERNEY explained the process, amount requested and growth factor. She mentioned staff included the full C.P.I. (Consumer Price Index) amount in the budget with a growth factor determined by Lake County. She explained that the District requested more, which would be advertised in the newspaper. She said the District would only capture the legally allowed amount even though the newspaper would indicate more. Executive Director SALSKI stated he received two phone calls last year. Director McINERNEY mentioned the District publishes a Truth in Taxation Hearing even if the levy amount is under five percent. Board Members had a consensus to include the full C.P.I. and growth in the 2025 Budget due to unfunded mandates, increased pricing, capital maintenance and growth of community.

President KNUDSON requested a motion to approve the KnowBe4 Agreement. Commissioner McGRATH moved to approve the KnowBe4 Agreement, second by Commissioner BURTON. President KNUDSON repeated the motion, asked if there were any questions. Director McINERNEY explained the importance of the software for a variety of training. Commissioner BURTON asked if the costs could come out of Risk Management. She asked if the District would get a PDRMA discount. Director McINERNEY said the Risk Management Fund could not support due to current expenses. She said there were significant savings by locking in the price for three years. A roll call vote was taken with Commissioners McGRATH, BURTON, FRASIER, ORTEGA, and KNUDSON voting yes.

President KNUDSON asked if there was any Board Business. Commissioner McGRATH stated there was a Park Foundation meeting and there was \$100,000 in the account. The Foundation Board was working on the donor wall.

President KNUDSON asked for Staff Reports.

Executive Director SALSKI shared information about IDOT's request for acquiring land. Board Members had questions about the process. Executive Director SALSKI mentioned that IDOT would like to rent Regent Center for meetings with residents.

Director KARL presented the Golf Report. He stated September was the best on record. On October 17, the Club surpassed 2023 numbers, which was fantastic. Staff slit-seeded the course transitioning from bluegrass seed to a more tolerant Pure Distinction Bent Grass. He explained that staff planned to remove the back bunker of Hole #3 green. He mentioned that removing it would be more efficient for maintenance plus balls do not land that far back.

Director FOSTER presented the Parks & Facilities Report. He said staff finished installing siding at the Sports Complex. He explained that staff reduced the short-term Capital Maintenance project at the overflow Barefoot Bay lot by \$30,000. He said there were existing lights, but the electrical line was impacted when a fence was installed. Staff added an electrical line and Director FOSTER commended staff for saving the District expenses when it was explained that nothing could be done over the past 10 years.

Director BERG presented the Recreation & Facility Services Report. He said Boo Bash had 1,000 children who attended but about 25% were no-shows. He said it was disappointing since there was a waitlist. He mentioned the staff did a great job. He provided an update on construction of the Dance area at Regent Center which should be completed next month. He stated enrollment was up as well. He mentioned athletics and basketball were starting. He commented that North Pole Express was already full. He stated there was a Theatre Program that started at Diamond Lake. He said that he was working with Fremont School District to utilize school buses to transport kids to activities. He said it could save the District expenses. Director BERG finished by saying the Learning Center had 83 children enrolled, which was more than the 61 from 2023-24.

Director McINERNEY presented the Business Services & Technology report. She stated the 2025 Budget would be presented at the November 11 meeting. She said the employee Chili Walk at Steeple Chase was well attended and had a nice evening. She said cameras were installed at Mundelein Community Center. Director McINERNEY commented that the District had a cybersecurity audit and October was Cybersecurity Awareness Month. She said Specialist Guidry planned several staff activities to educate and reward those who kept the District safe and secure online. She stated that she did a terrific job creating trivia, events and more for the employees.

Manager LAWRENCE presented the Marketing Report. She said fall registration occurred and it went well. She said Meta Ads were purchased to promote the District programs and it proved successful. She can track numbers to see how many "clicks" the District received. She mentioned there were 17,000 emails captured in Constant Contact.

President KNUDSON acknowledged the service anniversaries of Marissa Moravec 5 years, Lorena Vazquez 4 years and Jennifer Echeverria Toledo 4 years.

President KNUDSON requested a motion to move into Executive Session at 9:00 p.m. Commissioner ORTEGA moved to go into Executive Session for Personnel 5 ILCS 120/2 (c)(1), second by Commissioner McGRATH. President KNUDSON repeated the motion, asked if there were any additional corrections or additions. None were raised. A roll call vote was taken with Commissioners ORTEGA, McGRATH, BURTON, FRASIER, and President KNUDSON voting yes.

The Board came out of the Executive Session at 9:21 p.m. Director BERG, Director FOSTER, Director KARL, Director McINERNEY, and Manager LAWRENCE entered the room.

Executive Director Salski provided an update – Financial Sustainability Plan and 2025 Budget. He shared information about an initiative, Assessing Staff Organizational Structure. He added an opportunity to recruit future Board Members. He presented a variety of changes to the organizational structures. He explained the need for one additional Park Maintenance position due to the District acquiring three new parks. Director KARL discussed seasonal staff and impacts on golf. Director McINERNEY presented expenses associated with the Organizational Development Plan and other expenses. Commissioner BURTON had questions about staff in specific positions. President KNUDSON asked about the cost of health insurance for adding any new staff. Director McINERNEY stated it was \$27,000 for family coverage. She said all the proposed expenses were in the budget and the budget would be a break-even budget. She said staff worked extremely hard to reduce expenses, manage mandates and supply costs while boosting revenues. She mentioned the merit increase pool was changed to 3.5% versus 4%. Executive Director SALSKI explained that staff would provide a health insurance plan for 2026 as costs keep rising.

There being no further business, Commissioner ORTEGA moved to adjourn at 10:06 p.m. seconded by Commissioner FRASIER. A voice vote was taken with all voting yes.



Secretary