



**Join Us for a  
Park District Referendum Informational Forum**

**TUESDAY, OCTOBER 5 at 9:00 am or 6:30 pm  
Recreation Center • 355 W. Washington Avenue**

**Lake Bluff Park District Referendum Facts  
LEARN THE FACTS • BE INFORMED • VOTE  
Tuesday, November 2, 2010**

Recent audits have determined the Lake Bluff main and wading pools will require significant repairs to meet recently established Federal and State pool standards and to remain operational. This study cited 29 environmental, safety and accessibility code concerns/infractions that our facility was able to open only due to its age. Due to the magnitude of the repairs of these aging community resources (pool: 37 years old, wading pool: 19 years) reports indicate the cost of short-term repairs are similar to the cost of replacement. **We have had to close the wading pool this year and it is projected the main pool can remain open only through the 2011 season in its current condition.**

The Board of Commissioners carefully considered ALL options and associated costs to determine the future of the Blair Pool Facility. The options spanned the spectrum from closing the entire facility, to the cost effectiveness/feasibility of short-term repairs, to construction of a new facility.

After considering all community input, the Board of Commissioners voted unanimously to endorse the following pool concept.

- 50-meter/25-yard combination pool,
- Renovated bath house (concession stand, family changing areas, locker rooms, pool equipment, and admissions, guards and pool manager area),
- 3-meter and 1-meter diving boards,
- Drop slide,
- 2-4' leisure water with play features, and a
- Separate wading pool.
- Meets all State and Federal Safety Requirements & ADA requirements

The cost of this project is estimated at \$7.15 million.

The Board also endorsed a five-year Capital Replacement and Improvement Plan estimated at \$3.55 million. The Capital Plan is a five-year road map within the Strategic Plan that addresses some of the following areas: beach, parks, nature trails, walking and biking trails and the Fitness Center (these items were identified as areas of need and importance in the 2009 Community Wide Survey).

(Visit [www.lakebluffparks.org/CapitalPlan.pdf](http://www.lakebluffparks.org/CapitalPlan.pdf) for more detailed information about the improvement plan.)

To fund these initiatives, the Board of Commissioners unanimously adopted a Resolution to place a \$10.7 million bond referendum on the November 2, 2010 Election Ballot. Our community will have the opportunity on November 2, 2010 to decide upon these important facility and capital challenges.

## FREQUENTLY ASKED QUESTIONS

This Lake Bluff Park District data sheet provides **factual information** to clarify and answer questions that have been raised by park district residents.

**Question: I heard that if the referendum is approved by the voters, my taxes would increase by 42%?**

**Fact: No, your taxes will not increase by 42%.** The Park District is only one portion of your tax bill; if approved the referendum impact to the overall tax bill is estimated at less than 5%.

Lake Bluff Park District - 2009 actual tax rate of \$.326

Lake Bluff Park District - 2010 estimated tax rate of \$.426 (if referendum approved)

The Park District total *tax levy* would increase from \$2,352,493 to approximately \$3,073,493. For the 2009 Levy Year, the Park District's taxes were 6.4% of the overall tax bill.

**Question: If the referendum is approved, how will this affect me, the taxpayer?**

**Fact: Annual cost per household based on Fair Market Value of Home (20 year bond):**

<u>Fair Market Value of Home</u>	<u>Annual Property Tax Increase</u>
\$400,000	\$144
\$500,000	\$182
\$600,000	\$220
\$700,000	\$258
\$800,000	\$296

**Question: What is the bond issuance plan?**

**Fact:** The Park District does not have to issue the debt immediately. The Park District has five years to issue all or a portion of the debt. The Park District would be able to capture the historically low bond rates for the initial \$9.7 million plan to be issued at the end of 2010.

The initial \$9.7M bond to be issued is projected based on a 4.50% interest rate, using level debt service over 20 years. Current rates are approximately 3.50%. Should actual rates be lower than the 4.50% budgeted interest rate, the District will submit a lower property tax levy to the county.

*The Park District has allocated \$1,000,000 for potential ravine erosion repair projects and those monies are not expected to be used for three or four years resulting in a \$9.7 million issue at this time instead of \$10.7 million. The \$1.0 million of remaining authority would be issued only if needed to fund the ravine projects.*

**Question: What is the state of the Lake Bluff Park District finances?**

**Fact:** In 2009, the Park District reorganized staff responsibilities effective 2010 eliminating approximately \$250,000 in annual expenses. The Park District set a balanced budget (revenue – expenses) for calendar year 2010. The September year-end forecast projects a surplus resulting in emergency reserves of (17%-19%) for the Park District. The Park District has been awarded an AA bond rating – excellent for a governmental agency.

**Question: Why hasn't the Park District saved up for Pool and Capital Replacement and Improvements?**

**Fact:** When building or reconstructing a pool, Park Districts generally asks residents to pay for pool construction through a referendum due to the magnitude of the costs. There are not sufficient revenues generated to fund replacement costs or bond payments. In today's tight financial environment, there are no additional funds for projects of this scope.

In the industry, Park Districts generally fund capital replacement and improvement plans for facilities through tax dollars and not operating funds. The Park District has approximately \$320,000 in annual tax dollars appropriated for capital replacement and improvements. Of this amount, approximately \$295,000 each year through 2019 is allocated for debt service on the Recreation Center. The Recreation Center is one of the most highly utilized facilities housing the preschool, fitness center, gymnasium, community group meeting rooms, and more.

**Question: If the community approves the referendum, will the debt payments be difficult to cover with anticipated revenue?**

**Fact:** No, the referendum tax dollars will directly cover costs associated with this initiative.

**Question: Was the Lake Bluff Park District Blair pool self-funding in 2010?**

**Fact:** The pool generates approximately \$245,000 in revenue per year making it a breakeven entity. In 2010, the pool is expected to produce breakeven results even with the closing of the wading pool.

**Question: How many Lake Forest residents are pool members?**

**Fact:** **The majority of our pool members are Lake Bluff and unincorporated Knollwood residents.** In 2010, only 9% of the pool members were from Lake Forest (i.e., 1% of Lake Forest residents join our pool).

**Question: Why does the Lake Blair Park District Blair pool cost \$7.15 million?**

**Fact:** Pool requirements have changed significantly since our pool was originally built 37 years ago. Generally, Illinois has one of the most stringent codes related to pools and construction, which require prevailing (union) wages, American with Disabilities Act requirements, and safety codes. These factors significantly impact project estimates.  
*For a detailed breakdown of costs visit [www.lakebluffparks.org/CostBreakdown.pdf](http://www.lakebluffparks.org/CostBreakdown.pdf)*

**Question: Is the Lake Blair Park District Blair pool design too large?**

**Fact:** Based on seven months of evaluation and review with residents, board and staff, the design was based on programs, needs and usage and that data determined the size to be appropriate to accommodate the needs of our community.

**Question: Has the Park District verified the cost estimates for the pool?**

**Fact:** Two respected and experienced construction management firms, *Corporate Construction Services* and *WBO Olsen*, have verified the costs and timeframe. These construction management firms have completed numerous pool projects for park districts in Illinois on time and within budget.

**Question: If the community approves the referendum will the pool be open in 2012?**

**Fact:** Yes, typically a pool is built between Labor Day and Memorial Day. If construction begins September 2011, the new pool would reopen June 2012.

**Question: What steps will the Park District take if it can't find monies for the pool?**

**Fact:** The wading pool closed in 2010 and the Park District is expected to close the pool facility after the 2011 season due to the age of the pool, severity of code violations, and extent of repairs. The Park District would need to wait until residents support funding for this initiative or other funding source are found to update the facility.

**Question: What steps will the Park District take if it can't find revenue sources for the capital replacement/improvements?**

**Fact:** The Park District has started evaluating facilities, equipment, playgrounds, parks and services and the impacts may include:

- Combination of facility impacts – take out worn amenities such as fitness machines and playground equipment,
- Eliminate programs,
- Eliminate services for the community and community groups.

This is a process common to most park districts and recreation departments across the state during these challenging financial times.

**Question: What will the question look like on the ballot November 2?**

**LAKE BLUFF PARK DISTRICT**

Proposition to Issue \$10.7 Million Park Bonds

*Shall the Lake Bluff Park District, Lake County, Illinois, construct and equip an outdoor community pool and related facilities, maintain, improve and preserve its parks and facilities, pay expenses incident thereto and issue its bonds to the amount of \$10.7 million for the purpose of paying the costs thereof?*

- YES  
 NO

## ADDITIONAL POOL INFORMATION

Recognizing our community's tradition of thoughtful efforts to maintain our many amenities and unique character, the Board considered the following factors:

### **Lake Bluff's Blair Park Pool:**

- Is aged - built in 1973 (37 years)
- Does not meet current State and Federal safety guidelines
- Repair cost estimates similar to replacement costs
- Wading pool for young children closed permanently
- Main pool slated to close after 2011
- A community asset identified as "high need" and the third most used facility in the 2009 community-wide survey (Beach and Park needs will be addressed in the Capital Plan.)

### **Question: Has the Park District pursued pool naming rights and/or private donations?**

**Fact:** The Park District anticipates pursuing this option when the amenities/features and timelines have been finalized. The Park District Board approved a Naming Rights Policy and the Friends of the Park District Foundation will be assisting the Park District with building a relationship with individuals and businesses who may want to be a part of the project.

### **Question: Does the cost of new pools include all American with Disabilities Act (ADA) requirements?**

**Fact:** Yes, a new pool must meet all state and federal safety codes and ADA requirements.

### **Question: Will the Park District raise the cost of a member pool pass if the pool is replaced?**

**Fact:** Every year, staff and Board review both resident and non-resident rates. The non-resident rate will surely change. While the resident rate may change, the Park District realizes it is important to keep all our amenities accessible to the residents.

## ADDITIONAL FINANCIAL FACTS

**Question: What is the Park District's current debt?**

**Fact:** The Park District has total direct debt outstanding of \$6,995,001.36

Debt Outstanding

Bonds	\$2,191,620.36*
Installment Contracts	\$2,535,000.00
Note	\$ 48,381.00
Debt Certificates	<u>\$2,220,000.00</u>
	\$6,995,001.36

\* Includes \$1,866,620.36 Alternate Revenue Source Bonds for which the tax levies are annually abated.

At present, the Lake Bluff Park District can have a maximum debt level of \$20,746,678, which annually changes based on Equal Assessed Valuation (EAV) and new debt issued/old debt retired.

**Question: How will the Park District address Capital Replacements and Improvements after the five year period if the referendum was approved?**

**Fact:** The Park District has retained a Bond/Financial Advisor to assist with structuring its debt. By 2018, there is an opportunity to restructure debt. The board has evaluated the opportunity to restructure debt on multiple occasions; presently however the Park District has been advised it is uneconomical to do so.

If the Board chooses to restructure debt, the Park District will have the ability to use a portion of the debt extension base after 2018 for the Capital Replacement and Improvement Plan. The debt extension base is based on factors including interest rates, health of operating funds, and Consumer Price Index (CPI) changes through 2018, as this will influence the debt service extension base.

Please attend a forum on Tuesday, October 5th  
visit the Park District website at [www.lakebluffparks.org](http://www.lakebluffparks.org).

If you would like a representative of the Park District to attend your community meeting, please call Executive Director Ron Salski, at 847-234-4150 ext. 18.

## KNOW THE FACTS • VOTE NOVEMBER 2

[www.lakebluffparks.org](http://www.lakebluffparks.org)

**Park Board Members**  
Kurt Gronau, President  
Sandy Hart, Vice President  
Doug Nickels, Treasurer  
Kevin Considine  
Rob Douglass  
Susan Ehrhard  
Kauri McKendry