



MINUTES OF THE SPECIAL PUBLIC MEETING

A special scheduled meeting of the Elk Grove Park District, Cook County, State of Illinois was held on October 4, 2018, in the Administration Building of said Park District. President Walz called the meeting to order at 6:30 p.m. and upon the roll being called, President Walz, being physically present at such time and place and the following Park Commissioners, also being physically present at said time and place, answered present:

John R Walz, President, and Commissioner
Ralph C. Souder, Commissioner
William B. O'Malley, Commissioner

Administrative Staff:

Tom Busby, Executive Director
Tammy Miller, Director of Leisure Services
Jeff Collier, Superintendent of Recreation
Brian O'Malley, Athletics Coordinator
Jimmy Kavanaugh, Athletics Coordinator

Visitors:

Debby Rogers, Vice President, Elk Grove Youth Football
Marty Rogers, President, Elk Grove Travel Baseball
Effie Cirbo, President, Elk Grove Soccer Club
RJ Gomez, President, Elk Grove Girls Softball
Tim Demos, President, Elk Grove Inline Hockey
Tony Coletta, President, Elk Grove Youth Baseball
Mike Ihnen, Commissioner, Elk Grove Youth Basketball

DISCUSSION OF INSURANCE COVERAGE FOR ATHLETICS ASSOCIATIONS

President Walz thanked everyone in attendance and for his or her participation in this important discussion. After a brief introduction, Executive Director Busby was asked to explain the purpose of the meeting. He explained that the purpose was to discuss the letter that was received about the affiliation between the Park District and the Athletics Associations, as it related to insurance coverage. He further clarified that the prior understanding that the Athletics Associations were recognized as a program of the Elk Grove Park District was no longer endorsed by PDRMA. Therefore, the associations are not eligible for liability coverage through PDRMA. At this time, PDRMA is providing supplemental insurance coverage through a COI until December 31, 2018.

At that time, Executive Director Busby offered two potential solutions. The first was that the Associations could become independent organizations, which would require them to register with the State of Illinois, obtain insurance and separate all administrative operations and tasks from the Park District. The second was to truly become a Park District program and allow all of the administrative tasks to be handled by Park District staff. Under this option, it was suggested that an Advisory Board be appointed by the Park District to assist with different tasks and advise the staff based on past practice and customer feedback. Executive Director Busby then asked each of the Associations to go

back to their respective boards to update them on this new information and to decide which direction they are looking to pursue. He asked that they meet as many times as they need to within the next thirty days in order for a response to be presented on/or before November 5, 2018. At that time, he also mentioned that staff intended to present an action item to be voted on by the Board of Commissioners to cancel the current contract with the Associations to be in compliance with the terms of the agreement and to meet the expectations of PDRMA.

QUESTIONS/ANSWERS & COMMENTS/RESPONSES

Q1: Effie Cirbo, President of Elk Grove Soccer Club, asked if this was for all programs (house leagues and travel leagues).

A1: Staff answered that it was for all Associations/leagues.

Q2: President Cirbo then asked if this could be delayed for the EGSC because they are currently in season and they have collected fees for both Fall and Spring leagues. She was overall concerned that she would have to ask the participants to pay more money so that EGSC could afford to provide liability insurance.

A2: President Walz explained that the reason for the urgency to cancel the agreement was to meet PDRMA's expectations. In order to do that notification of the cancellation of the agreement needed to be completed on this timeline to meet the requirements of the contract, as it is a forty-five (45) day notice for either party to end the agreement.

C1: Commissioner Souder offered that there is a third option that had not yet been presented and that was to form an athletics conglomerate similar to Schaumburg Athletic Association. In this scenario, the seven Elk Grove Athletics Associations would form one group and obtain insurance as a whole instead of individually. Commissioner Souder's goal was to have the kids/families receiving the same programming at the same low costs.

R1: Jeff Collier was directed to have staff obtain information regarding insurance costs and governance for the Associations to consider.

Q3: Tim Demos, President of Inline Hockey, asked what brought PDRMA to take this stance.

A3: Staff responded that this was due to having elected boards that were not reviewed/approved by the Park District Board of Commissioners, it is not allowable for the Park District to create a contract with its own programs, the use of independent websites and having independent operational guidelines (to which some of them identify that they are in fact separate entities).

Q4: RJ Gomez, President of Girls Softball, asked how to continue to make this affordable for the customers if they became independent from the District. Due to the additional expenses (insurance, field rentals, etc.).

A4: Staff agreed that it would be significantly more expensive to pursue that route and is not recommending that approach but would support it, if that were their decision.

Q5: Mike Ihnen, Commissioner of Basketball, asked what the cost of insurance would be.

A5: Staff responded that PDRMA provided a quote from an independent provider for all of the Associations to be covered would cost approximately \$600,000.

C2: Commissioner Souder inquired about Football's insurance.

R2: Debby Rogers, Vice President of Football, responded that the cost is based on the total number of participants each year (~200 this year) and the cost is roughly \$3,000 for supplemental insurance.

Q6: Marty Rogers, President of Travel Baseball, asked what staff believed the cost would be for each of the association's individually. He then asked what does the Park District pay PDRMA and how was that number calculated.

A6: Staff responded that there are several factors that insurance providers would consider when determining the fees for the Associations (i.e. number of participants, risk assessment based on the activity, potential exposures based on business plan and other internal/external factors, etc.). Staff also responded that the Park District paid roughly \$300,000 to PDRMA this year for coverage. The amount the Park District pays PDRMA is based on total expenditures.

Q7: President Ihnen asked that if they went on their own would they be considered a separate business.

A7: Staff responded, yes, they would need to file with the state.

Q8: President Cirbo then asked what does she do going forward.

A8: Staff reiterated that the expectation is to bring this information back to their individual boards to discuss and provide a response to the Park District by November 5 regarding the direction they are looking to pursue.

Q9: Several Association Board Members asked what would the Park District's ideal scenario in regards to this decision

A9: Staff responded that they would like to see the House programs remain with the Park District as programs offered by the Park District staff, with an advisory board. They also explained that there is a difference of opinion as it related to the Travel programs.

Q10: Several Association Board Members inquired why the Park District staff felt that way.

A10: Staff responded that the House programs fit the mission of the District and that these types of programs/leagues are typically run by Park District staff as programs. Further information was shared as to staff making connections with other area Districts to ensure that even with lower participation that teams would be able to form and have substantial leagues to play in.

C3: Commissioner Ihnen commented that if basketball was to be combined with Schaumburg then participants would walk.

C4: President Walz commented that he did not agree that Travel should be independent and believed it to be "recreational" in nature so that this did fit with the District's mission.

Q11: President Cirbo asked would there be major changes to Travel if it did become an internal program. Would coaches be paid?

A11: Staff responded that all things would be reviewed and discussed with the Advisory Boards to determine the relevance and feasibility of these kinds of decisions.

Q12: Associations in general inquired how staff envisioned the advisory boards; how they would determine who would be on the advisory board, and what their roles might be.

A12: Staff suggested that they would be appointed by the Park District, they would have terms, and they would be able to support different initiatives and provide input regarding important decisions.

Q13: Tony Coletta, Commissioner of Youth Baseball, asked how many staff do you intend on hiring or putting in charge of all these different leagues.

A13: Staff responded that this would depend on the number of Association leagues that became internal programs.

Q14: President Gomez asked if they got their own liability insurance, could they still have their own board and have a different agreement.

A14: Staff responded that they would need to look into that further to determine if that was feasible or not.

Q15: President Gomez asked about having the funds go through us. Would that be something that could be done?

A15: Staff commented that if they did guidelines would need to be in place and more information would need to be discussed with legal counsel to determine the feasibility.

C5: President Rogers mentioned that running the MSBL would be like running their own business.

C6: Commissioner O'Malley and President Walz re-iterated that the advisory board is key and how their input is important.

R6: Staff commented that they do have relationships already set-up in that format and referenced the Shelia Ray Adult Center Advisory Board.

Q16: President Gomez asked about the timeline and commented that they want to begin registration in November. He was concerned that they would need to delay this process in order to determine their future, which would impact the services that are offered (Winter Training).

A16: Staff responded that they should continue with business as usual and that we would find a way to work through all of this so that the customers are not impacted. The timeline is to discuss this with each of their respective Boards and have a response on/before November 5, 2018.

Q17: Commissioner Ihnen asked whether basketball had any claims in the recent past.

A17: Staff responded that there had been no claims for basketball.

Q18: Commissioner Coletta asked what the Park District legal counsel said about PDRMA's interpretation.

A18: Staff responded that counsel commented that they could see both parties had a decent enough argument but that it would be tough to defend the Park District's viewpoint in court. Staff then explained that it was not as much about risk as it was liability. A scenario was posed to illustrate this point: If the Association decided to go out of town to a tournament and stayed in a hotel with a pool swimming. Who is liable if a kid drowns? What is the liability if a coach drives three kids and there is an accident? What would happen if something more serious happened and there was not a background check completed on that volunteer?

Q19: President Cirbo asked if they choose to become an internal program and then decide later that they would prefer to be independent would that be an option.

A19: Staff commented that would not be an issue, at this time.

C7: President Walz wanted to make it clear that if the Associations have any questions that they should reach out to Jeff Collier, Tammy Miller or Tom Busby directly.

ADJOURNMENT

Commissioner O’Malley moved to adjourn the Special Public Meeting of October 4, 2018.

Commissioner Souder seconded the motion.

<u>Roll Call Vote</u>	<u>Ayes</u>	<u>Nays</u>	<u>Abstain</u>
Commissioner O’Malley	X		
Commissioner Souder	X		
President Walz	X		

Motion carried.

The Special Meeting of October 4, 2018 was adjourned by President Walz at 8:35 p.m.

Respectfully submitted,

Tammy Miller, Director of Leisure Services