

DRAFT
FINANCE COMMITTEE
Administration Building
1930 Prairie Street
Glenview, IL 60025
Regular Meeting Minutes
Monday, February 24, 2014

1. Roll Call

Commissioner Peterson called the meeting to order at 8:02 a.m. and the roll was called.

Commissioners/Official Staff present: Commissioners Dan Peterson; Ted Przybylo; Dave Tosh; and Charlie Kuhn, Executive Director Chuck Balling, Supt. of Administrative Operations Barb Cremin, Manager of Business Services Nicole Hopkins.

Commissioners/Official Staff absent: Treasurer Bill Moore

2. Agenda Topics

a. Replacement Tax Resolution—Replacement taxes are revenues collected by the State of Illinois and paid to local governments to replace money that was lost by local governments when their powers to impose personal property taxes on corporations, partnerships, and other business entities were taken away. When the personal property tax was in effect, the Glenview Park District used those funds to fund retirement obligations. Therefore, a portion of the funds must continue to be allocated for that purpose and the balance may be designated to any other purpose in the same manner as other real estate taxes. Historically, the District has allocated the balance of the personal property tax to the capital replacement program to help reduce the financial impact on the facilities. The proposed resolution is to continue to provide some funding of the capital replacement program by allocating a portion of the replacement tax for this purpose. The Committee agreed with the recommendation to allocate the replacement tax to the Retirement Fund as required and the balance to the Capital Replacement Fund. The Committee further recommended some minor revision to clarify the wording of the resolution.

b. Project Funding Chart Update—Staff revised the project funding chart based on the bid results for the Glenview Park Golf Club project received on February 18, 2014. The bids will be considered for approval at the March Board meeting after staff has had the opportunity to evaluate the impact of potential items bid as alternates, provide any updates on pending grant applications and review available funding. These issues will be addressed through the Special Revenue Facilities Committee.

c. Bond Refinancing—John Miller from Ehlers and Associates provided a memo regarding an upcoming opportunity to refinance the remaining portion of the \$13,950,000 GO Park Bond Series 2004 by issuing a \$2,165,000 Park Refunding Bond. The savings would be \$103,000 over a 3 year period. The issuance costs reflect costs if the refinancing were done as a direct placement, similar to the method used for the annual rollover bonds with Glenview State Bank. Otherwise, the costs of issuance would be significantly greater and decrease the potential savings. According to John Miller, the interest rate environment is favorable to move forward with the refinancing within the 90 day window between March 2014 and June 2014. The Committee recommended that the District move forward with the bond refinancing on a direct placement basis provided the savings is at least 4% of the refunded bonds.

- d. Farm and Fields Funding**—Superintendent Cremin provided background information on the 1998 Referendum that provided for a .1259% increase in the corporate tax levy. When the bond which funded the original purchase of Wagner Farm and additional sports fields is retired in 2018, the Board will need to make a determination as to the handling of the amount previously used to make the bond payments after consideration of the funding needs. In the interim, the Committee has confirmed that the staff should continue to allocate funding to Park Services and to Wagner Farm.
- e. Budget Process**—The Committee agreed to follow the same process as the prior year for the Finance Committee of the Whole meeting scheduled for Wednesday April 9, 2014 to review the 2014-2015 fiscal year proposed budget.
- f. Financial Statements**—Nicole Hopkins provided a review of the financial statements. Although various funds may be over and or under the fund budget, the amounts are not significant and it is expected that the District as a whole will meet or do better than budgeted.
- g. Other**—None

3. Matters from the Public

None

4. Committee Recommendation(s)/Direction

- a. The Committee is recommending Board approval of the Replacement Tax Resolution allocating the funds to the Retirement Fund as required and the balance to the Capital Replacement Fund and to some minor revision of the resolution to further clarify the wording.
- b. The Committee is recommending Board approval to proceed with the refinancing of the remaining portion of the \$13,950,000 General Obligation Park Bond Series 2004 on a direct placement basis provided the savings is at least 4% of the refunded bonds.

5. Adjourn

The meeting was adjourned at 9:10 a.m.

ATTEST:

William M. Casey
Board President

Charles T. Balling
Board Secretary

Approved this 20th day of March 2014