

# FINANCE COMMITTEE

Administration Building

1930 Prairie Street

Glenview, IL 60025

Regular Meeting Minutes

Monday, February 25, 2013

## 1. Roll Call

Commissioner Patton called the meeting to order at 8:35 a.m. and the roll was called.

Commissioners/Official Staff present: Commissioners Bob Patton, Dan Peterson, Treasurer Bill Moore, Executive Director Chuck Balling, Supt. of Administrative Operations Barb Cremin, Manager of Business Services Nicole Hopkins, Don Owen (Deputy Village Manager) from the Village of Glenview and John Miller from Ehlers and Associates.

Commissioners/Official Staff absent: Commissioner Ted Przybylo

## 2. Agenda Topics

- a. **Bond Refinancing Update and Timeline**—John Miller from Ehlers and Associates reviewed the committee's approval at the January Finance Committee meeting to plan for the annual rollover bond of \$1,355,000 in October, to issue two parameters ordinances for the debt certificate and the bond refinancing at the February 28, 2013 Board meeting and to move forward with the sale of the Advance Refunding of the Series 2004 Debt Certificates. The sale of the bond to accomplish the refinancing of the debt certificates will be on March 14, 2013. The Board President, Board Vice President, Executive Director and Superintendent of Administrative Operations are named as authorized officials in the parameters ordinance to accept the winning bid on the refinancing.

John Miller indicated that bond rates have increased slightly since the last committee meeting, however the rates were still very favorable for moving forward with the advance refunding of the 2007B Alternate Revenue bonds. He further noted that the parameters ordinances scheduled to be approved at the February Board meeting will be valid until the May 2013 Board meeting when the commissioners elected in April are seated on the Board. The estimated present value savings is about \$380,000 which is approximately 7% of the refunded principal amount and this exceeds the 3% "rule of thumb" savings. The Committee is recommending that Ehlers and Associates move forward with the refinancing of the 2007 B Alternate Revenue bonds at the same time as the advance refunding of the debt certificates. By combining the timing of the two bond sales, the District will also realize a fee discount from Moody's Rating Service.

- b. **Avon TIF District**—Don Owen from the Village of Glenview attended the meeting to discuss the proposed \$4.3 million dollar TIF district for the re-development of the former Avon Property at Waukegan and Golf roads. The desire for commercial development and traffic concerns were major factors with the project. Considerable infrastructure improvements are needed to Waukegan Road to address the traffic concerns. There were also concerns that the land would remain vacant for a long time if the proposed project did not move forward due to the market for commercial space. The proposed TIF District is

planned to run for a 10-year period although it can legally run for 23 years. The proposed development will include residential housing that will generate approximately \$1,129,907 of revenue to the Glenview Park District from developer donations. Under the terms of the TIF, the Glenview Park District's current EAV on the property will be frozen and the revenue from the new growth will be used by the Village to fund a portion of the TIF. At the end of the TIF, the District will be able to capture the new growth resulting from the development of the property. There will not be a make whole payment but the village is planning to distribute the annual surplus, if any. This projected surplus is expected to range from \$908 in year 1 to an annual payment of \$25,000 in the year 10 to the Glenview Park District.

**c. Abatement Ordinances**—Barb Cremin reported that the District has sufficient funds available as planned to pay the debt service on the Alternate Revenue bonds and therefore no tax levy will need to be extended to make the required payments. The abatement ordinances are the legal filings required to notify the county that no tax should be levied for the debt service payments.

**d. Replacement Tax Resolution**—The replacement tax resolution allocates the use of the replacement tax receipts. 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 capital replacement program continues to increase as more assets are included in the capital replacement program. At the same time, the interest income which was offsetting a portion of the costs of the capital replacement program has declined. The Committee agreed to allocate the replacement tax proceeds to fund a portion of pension liabilities and the balance to the capital replacement fund.

### **3. Monthly Financial Statements**

Nicole Hopkins provided an overview of the monthly financial statements. It was noted that the tax review for new property growth did not materialize as originally anticipated and therefore the Corporate Fund will realize less revenue than budgeted.

### **4. Matters from the Public**

None

### **5. Committee Recommendation(s)/Direction**

- The Committee is recommending that the Board approve the parameters ordinances at the February Board meeting to allow for refinancing the Series 2004 Debt Certificates and the Series 2007B Alternate Revenue Bonds.
- The Committee is recommending that the Board move forward with refinancing of the Series 2007 Alternate Revenue Bonds at the same time as refinancing of the Series 2004 Debt Certificates.
- The Committee is recommending that the Board supports the proposed Avon TIF.
- The Committee is recommending Board approval of the Abatement Ordinances.
- The Committee is recommending Board approval of the Replacement Tax Resolution.

**6. Adjourn**

The meeting was adjourned at 9:40 a.m.

**ATTEST:**

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Robert J. Patton  
Board President

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Charles T. Balling  
Board Secretary

Approved this 21st day of March 2013