

## FINANCE COMMITTEE MEETING

Administration Building  
1930 Prairie St.  
Glenview, IL 60025  
Regular Meeting Minutes  
October 20, 2016

### 1. Roll Call

Chairperson Kuhn called the meeting to order at 8:30 a.m. and the roll was called.

Commissioners/Official Staff present: Commissioners Dave Dillon, Charlie Kuhn, Dan Peterson and Bob Patton (via phone), Treasurer Bill Moore, Executive Director Michael McCarty, Deputy Director Barb Cremin, Manager of Business Services Nicole Hopkins.

Other Present: John Miller and John Piemonte from Ehlers and Associates (left at 9:25 a.m.)

Commissioners/Official Staff absent: None

### 2. Agenda Topics

#### a. Annual Bond Issue

John Miller from Ehlers and Associates reviewed the process, timeline and debt limit for issuing a one year non-referendum General Obligation Limited Tax Bond for approximately \$1,135,000 to be used for the capital replacement contribution for Park Services and to fund the Capital Development fund. The Bond will need to be issued by March 1, 2017 to be included in the 2016 tax levy and it will be fully paid in December 2017. The Committee agreed to recommend moving forward with the bond sale with Board adoption of the bond ordinance at the January 2017 board meeting and Ehlers will solicit proposals to quote interest rates for the bond.

John Miller also reported on the potential for an advance refunding of the outstanding 2011A bond that would result in a present value savings of \$506,944 over the next 20 years, with an average savings of approximately \$30,000-\$35,000 annually. Interest rates on the existing bond average 4.9% and with the refinancing, the average interest rate would drop to 2.3%. The Committee acknowledged that there could be potential for an additional savings of \$60,000-\$70,000 over the next 20 years by waiting to refinance the bond, however the uncertainty with interest rates and the level of current savings justifies refinancing now.

John Miller further explained the debt instruments available to the District if, in the future, the District would need a larger bond for financing a group of individual projects or to fund a single larger project. Options included General Obligation Referendum-approved bonds, General Obligation Alternate Revenue Source bonds, General Obligation Limited Tax bonds and Debt Certificates.

i) **Committee Recommendation:**

- To recommend that the Board issue a one year non-referendum General Obligation Limited Tax Bond for approximately \$1,135,000 and for Ehlers and Associates to solicit interest rate quotes for the bond.
- To recommend that the Board refinance the outstanding 2011A bond

b. **Tax Levy**

At the September Finance Committee meeting, four options for the tax levy were presented that would be used to fund operations for the 2017-2018 fiscal year. At that meeting, the Finance Committee asked staff to prepare an additional option for the October 20, 2016 committee meeting that would keep taxes flat for existing tax payers. The option that was presented re-allocates approximately \$700,000 of funds set aside for potential future debt service payments that will now be used to reduce the Bond and Interest levy by partially abating the debt service on existing bonds and also reduces the Special Recreation levy from a tax extension of \$533,718 in the 2015 tax year to a 2016 levy of \$478,140. Special Recreation Fund reserves will be used to offset the reduction in the Special Recreation levy so as not to reduce services. This option keeps taxes flat for existing taxpayers and captures the .7% CPI increase in the tax capped funds by offsetting the increase with a reduction in the Bond and Interest and Special Recreation Funds which are not subject to the tax cap. This option as presented would result in a tax levy of \$16,716,430. The Committee and staff concurred to recommend that the board approve the \$16,716,430 tax levy at the November 17, 2016 Board meeting.

Commissioner Kuhn asked about the funding needs for the Special Recreation fund. It was explained that the Member Agency Contribution ( MAC) and the NSSRA capital contribution are set by the NSSRA Board of Directors which is made up of representatives from each of the participating park districts and passed on to the participating districts as a fixed expense. The inclusion costs are based on usage. The only controllable expense for the District is the amount spent on ADA capital projects. Executive Director McCarty will ask Craig Culp from NSSRA to attend a future Board meeting to talk about NSSRA services and funding.

i) **Committee Recommendation:**

- To recommend approval of a tax levy of \$16,716,430 at the November Board meeting.

c. **Other**

Commissioner Patton asked for an update on the addition of the two paddle tennis courts. Executive Director McCarty explained that the 2016-2017 budget includes \$500,000 for this project and staff has been looking at options to reduce the projected costs of the project to better align with the budgeted amount. This topic will be discussed at the November Special Revenue Facilities Committee meeting.

Commissioner Kuhn asked for an update on boating on Lake Glenview and Executive Director McCarty explained that the attorneys from the Village of Glenview and Glenview Park District are still working on the wording for a licensing agreement but the issue with insurance requirements has been resolved.

The November 10, 2016 Finance Committee meeting will include a discussion on potential options for financing future capital projects, prioritization and setting a threshold for an ice center and other projects coming out of the master plan. The goal is for the Finance Committee to take a District-wide view of proposed capital projects.

i) **Committee Recommendation:** *None-Informational only.*

**3. Matters from the Public**

None

**4. Adjourn**

The Commissioners unanimously agreed to adjourn the Open Session at (10:05 a.m.)

ATTEST:

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Daniel B. Peterson  
Board President

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Michael D. McCarty  
Board Secretary

Approved this 27th day of October 2016