

DRAFT

FINANCE COMMITTEE OF THE WHOLE

Glenview Park District - Park & Facility Services East

1100 Roosevelt Avenue, Glenview, IL 60025

Regular Meeting Minutes

Tuesday, December 12, 2017 @ 6:00 p.m.

1. Roll Call

Chairman Dan Peterson called the meeting to order at 6:06 pm and the roll was called.

Commissioners present: Jen Roberts, Dan Peterson, Dave Dillon, Dave Tosh, Bob Patton, Bill Casey, Angie Katsamakidis

Official Staff present: Executive Director Mike McCarty, Deputy Executive Director Katie Skibbe, Superintendent of Special Facilities Lori Lovell, Superintendent of Leisure Services Elsa Fischer, Superintendent of Park and Facility Services Jim Warnstedt, Ice Center Manager Jim Weides, Manager of Program Services Brian Montgomery, Recording Secretary Amy Wille

Guests: Kelly Kost of Chapman and Cutler LLP; Bill Hofherr of George K. Baum & Company

Late Arrivals, Early Departure: Angie Katsamakidis left at 6:43pm; Kelly Kost, Bill Hofherr, Jim Weides, and Brian Montgomery left at 6:50pm

Commissioners/Official Staff absent: None

2. AGENDA TOPICS

a. Discussion on Proposed 2018 Bond Issuance

Deputy Executive Director Katie Skibbe gave an update on the process of the proposed bond issuance for 2018. On November 28, 2017, members from the Citizen Task Force Committee presented a final recommendation to the Board to move forward with the ballot measure. After taking residents' feedback into consideration, the Task Force removed the walk/jog track and children's adventure play area from the Ice Center proposal and recommended the renovated versus new option. The improvements at Sleepy Hollow Park were also removed.

The final recommendation included a renovated 2.5 sheet Community Ice Center, safety improvements to the entrance of The Grove, improvements to the Grove Interpretative Center, and funds designated for open space. The recommended projects total \$33.1 million with a suggested referendum amount of \$17 million.

After working with the District's bond counsel, Kelly Kost from Chapman and Cutler LLP, staff requested consideration to approve the draft election resolution and ballot proposition and to move to the full board for approval. The resolution will provide for the submission of a proposition to issue \$17,000,000 general obligation park bonds to the voters of the District at the general primary election to be held on the 20th day of March, 2018.

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The commissioners asked several questions to clarify the wording of the documentation and process for the election. Skibbe and Mr. Kost responded with explanations on the way the documentation was written.

Commissioner Dan Peterson expressed four concerns on the Task Force's recommendation. His first and second concerns were the Grove's updated entrance project in the amount of \$650,000 and the open lands acquisition fund in the amount of \$1,000,000. He believed the amount should be raised through the capital development fund or other fund balances rather than through tax money.

Commissioner Peterson's third concern was about the intended use of the proposed donation from the Glenview Stars in the amount of one million dollars over the next ten years. As it is currently stated, the donation could be used by the District for any project. He suggested that the donation be used specifically to offset the construction costs of the proposed Ice Center project or that the Board resolves that all of these donation funds should go directly toward abating the bond and interest levy.

Commissioner Peterson's fourth and final concern was in regards to the public's concern over whether the future Ice Center will cover its annual full operating costs. He requested that the Board be clear with communicating that the new Ice Center will cover its annual operating costs after its completion. By achieving this, he believed that the Board should commit to charging prices that would cover the costs and would budget for a true break-even that would include G&A expenses and capital replacement. Commissioner Peterson stated that the Ice Center should be charging the market clearing rate and should be applying that rate to recognized organizations including the Glenview Stars.

Each commissioner followed up with their view on the proposed recommendation from the Task Force. The Board also discussed Commissioner Peterson's concerns and agreed to his point regarding the intended use of the proposed donation from Glenview Stars.

President Bob Patton agreed with Commissioner Peterson's concern regarding the annual operating costs of the future Ice Center. He said the facility should run as a for-profit enterprise and should be charging market prices. The commissioners discussed the financial impact of the proposed recommendation from the Task Force, including the funding available from the District's Capital Replacement Fund and Capital Development Fund.

Commissioner Jen Roberts made a motion "to accept the Task Force's recommendation as written to add to the consent agenda for full Board approval at the December 21, 2017 Board Meeting." There was a 5 to 2 vote.

As a follow up to the motion, President Bob Patton stated that he wanted the Board's intent, going into this referendum, to be that the facility operates as a for-profit enterprise without any subsidies after year 3. He agreed to create the language for a resolution to distribute to the Board prior to the distribution of the Board Packet for the December Board Meeting. No vote was made on this item.

Commissioner Bill Casey made a motion "that the pledged donation towards the Glenview Ice Center from the Glenview Stars should be used to pay down the bond". The motion passed unanimously and it would be put on the consent agenda for the Board meeting for Board approval.

Staff and commissioners continued to discuss the proposed resolution made by President Patton regarding pricing rates at the Glenview Ice Center. Commissioner Jen Roberts responded with a comparison on the cost of other facilities vs. the potential cost of the Ice Center per the number of users, including the number of residents and non-residents using each facility. Commissioner Roberts informed the committee that the price per person at the new Ice Center would not be the highest. She recommended that the Board consider not setting a higher standard for one facility compared to other facilities in the District in order to maintain equity among the facilities and its users. Executive Director Mike McCarty added that the Board should consider not setting a precedent with one major affiliate group that would have to be used on the rest of the affiliate groups.

With a vote of 5 to 2, the committee recommended the acceptance of the Task Force's recommendation for the ballot measure to add to the consent agenda for full board approval. Additionally, the committee recommended the acceptance of the motion to have the pledged donation from the Glenview Stars be used to pay down the proposed bond. This recommendation is based on the results from the general primary election on March 20, 2018.

b. Tax Abatement Ordinances

Deputy Executive Director Katie Skibbe stated that staff prepares several abatement ordinances on an annual basis to ensure property taxes are not collected for the Alternate Revenue Bonds. Per the direction of the tax levy, the ordinances for this year incorporated abating a portion of the pool bonds.

The committee recommended the acceptance of the tax abatement ordinances for full board approval on the consent agenda.

c. Replacement Tax Resolution

Deputy Executive Director Skibbe presented the annual replacement tax resolution that designates any replacement taxes received will be directed to the Capital Replacement Fund. She explained that this designation will help offset the increasing costs of maintaining current assets and reduce the capital replacement contributions required from facility operating budgets.

The committee recommended the acceptance of the replacement tax resolution for full board approval on the consent agenda.

d. Annual Bond Issuance

Deputy Executive Director Katie Skibbe presented the process for the 2017C annual limited bond issue. On November 30, 2017, the Preliminary Term Sheet was sent to two local banks to have bids submitted by December 14, 2017. Skibbe explained that a draft bond ordinance along with a staff recommendation will be presented to the full board at the December 21, 2017 Board Meeting.

The committee recommended the acceptance of the Preliminary Term Sheet for the 2017C Bonds to be moved to the full Board. The staff recommendation along with the draft bond ordinance will be reviewed and decided by the Board at the December Board Meeting.

e. October Financial Statement Review

Deputy Executive Director Skibbe provided the board with the October financial statement including a review of variances over \$10,000.

3. Other

None

4. Matters from the Public

A member of the public spoke on behalf of her father's property on Kennicott Lane. She expressed concern over the neighboring residences and the Park District's newly acquired land neighboring the Grove. The members of the committee took her concerns into account to be addressed at a later date.

5. Adjourn

Chairman Dan Peterson moved seconded by Commissioner Jen Roberts to adjourn the Open Session at 7:06 pm. On Voice Vote: All present voted aye, motion carried.

ATTEST:

Robert J. Patton
Board President

Michael D. McCarty
Board Secretary

Approved this 25th day of January 2018