

DRAFT

FINANCE COMMITTEE

Glenview Park District – Administration Building
1930 Prairie Street, Glenview, IL 60025
Regular Meeting Minutes
Tuesday, November 13, 2018 @ 6:00 p.m.

1. Roll Call

Chairperson Jen Roberts called the meeting to order at 6:00 pm and the roll was called.

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

Official Staff present: Executive Director Mike McCarty, Deputy Executive Director Katie Skibbe, Director of Brand Strategies Jena Johnson, Treasurer Bill Moore (via phone), Recording Secretary Amy Wille

Late Arrivals, Early Departure: None

Commissioners/Official Staff absent: None

Guests: District Municipal Advisors Eric Anderson and John Balzano of Piper Jaffray & Co.

2. AGENDA TOPICS

a. Update on Proposed Bond Issuance

District Municipal Advisor Eric Anderson of Piper Jaffray & Co. gave an update on the proposed \$17 million bond issuance. He explained that the District met with Moody's Investor Services on November 7, 2018 to update the District's bond rating for the proposed issuance. Results will be given on November 15, 2018 prior to the Park Board meeting. He proceeded to present the timeline of issuing the park referendum bonds, including the tentative settlement date.

After discussions with the District's bond council Chapman and Cutler, Eric Anderson indicated that a TEFRA hearing will be needed, which is mandated by the Internal Revenue Service (IRS) through the Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA). Anderson explained that 501(c)(3) bonds should be issued due to the District's contractual obligations for private business use.

Commissioner Dan Peterson asked staff to define the difference between the qualified 501(c)(3) bonds that are proposed for issuance and previous issuances of General Obligation bonds. Anderson explained that a 501(c)(3) bond is a subset of a General Obligation bond that allows the bond to remain tax exempt while contracting with private organizations. Executive Director Mike McCarty and Deputy Executive Director Katie Skibbe further explained the threshold of private money allowed within the bond per the IRS regulations while maintaining tax exempt bonds. Commissioner Peterson requested for more information about the bond type to be provided before the TEFRA hearing. Staff agreed to the request.

Commissioners and staff continued to discuss the debt issuance in relation to the proposed contracts with the Glenview Stars, concessions, and Pro Shop. Staff clarified

the District's monetary commitments and the potential timeline after issuing the proposed debt.

Executive Director Mike McCarty stated that the TEFRA hearing is set for November 29, 2018.

b. Final Tax Levy

Deputy Executive Director Katie Skibbe gave an update from the September 20, 2018 Park Board meeting when the Board approved an estimated tax levy representing a 10.42% increase to existing taxpayers. After recalculating the bond payments based on November 2018 rates, Skibbe presented two options for the committee to consider: a 10.33% increase to existing taxpayers as Option A or a 7.33% increase as Option B. She presented charts showing that each option has the ability to capture up to \$62,500,000 of new growth and capture the CPI increase for the non-tax capped funds.

Skibbe noted several points for the Board to consider in regards to the potential effects of the tax levy. She explained the financial impact on the District should the state or Village pass a higher minimum wage or if the Federal Reserve Board approves an interest rate increase. In addition to legislative changes, Skibbe explained the impact of the District's upcoming Capital Development projects.

The commissioners and staff discussed the financial breakdown of the two tax levy options. Commissioner Bob Patton asked if the tax levy options capture the referendum bonds. Commissioner Dan Peterson and staff worked through the financial breakdown of the options to clarify how much of the tax increase is attributed to the cost of the \$17 million bond issuance.

Staff and commissioners continued to discuss the financial opportunities for the District and the District's tax levy history. Commissioner Bob Patton said he would vote for Option B due to the optics of a 10.33% increase after keeping the tax levy flat for multiple years. Commissioner Bill Casey said he was in favor of Option A due to the potential legislative changes. The commissioners debated the two options and the financial impact on existing taxpayers as well as the Park District.

The final tax levy will be included as a discussion point and not as a consent agenda item at the November 15, 2018 Board meeting.

c. September Financial Statement Review

Deputy Executive Director Katie Skibbe provided the Board with the September financial statements including a review of variances over \$10,000.

3. Other

None

4. Matters from the Public

None

5. Adjourn

Commissioner Jen Roberts moved seconded by Commissioner Dan Peterson to adjourn the Open Session at 7:00 pm. On Voice Vote: All present voted aye, motion carried.

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ATTEST:

David M. Dillon
Board President

Michael D. McCarty
Board Secretary

Approved this 13th day of December 2018.