



## Finance Committee Meeting Minutes

Fountain View Recreation Center, Room 120

October 22, 2018

6:00pm – 6:40 pm

Meeting was called to order at 6:01 pm

**Present:** Commissioner Powers, Bird, Jaszka, Sokolowski, Jeffery, Gramann  
Staff: Executive Director Reuter, Directors Rini, Hamilton and Bachewicz, Superintendent of Finance & Accounting Scumaci  
Andy Arndt of RW Baird

### Overview of Park District Debt Structure

Andy Arndt of RW Baird was introduced to discuss Carol Stream Park District outstanding debt and capabilities for restructuring.

- We currently have \$48,535,189 in bonds outstanding.
- There is approximately \$4.9 million of available borrowing margin under the Non-Referendum Debt Limit.
- The District's Debt Service Extension Base (DSEB) is currently \$374,463.
- To stay within overall both borrowing limitations, the maximum hypothetical funds available at this time are \$2.9 million.

Commissioner Bird asked if that amount is limited to new projects or if it could be used for repairs. Mr. Arndt said it could be used for capital improvements or repairs. Commissioner Powers asked if there would be an impact on the homeowner's tax bill. Mr. Arndt estimates it would be \$9 per year for a \$250,000-valued home.

- Our existing bond payments increase as time goes on.
- Limited Bonds can be restructured, leveling off the payments by extending the life of the debt.
- This can be done in stages rather than all at once.

Director Rini reminded Commissioners of the refunding done in January 2016 which allowed the District to refund outstanding bonds at a lower interest rate, saving \$3,000,000 in future payments. Commissioner Sokolowski asked about Build America Bonds. Mr. Arndt explained those bonds are structured differently. Market conditions have to be very advantageous in order to recognize a positive refunding opportunity. Baird continually watches the market for restructuring opportunities. Commissioner Sokolowski asked if the current interest rate increases impacts those savings. Mr. Arndt explained it could, and that is why each opportunity would be carefully evaluated before any recommendation for action is made. If the Commissioners are interested in more details for an issuance, please let Director Rini know; he can draw it up. Executive Director Reuter emphasized the District is very conscious about how long we extend any debt; it will only be considered if absolutely necessary.

Respectfully submitted by:

Sue Rini  
Director of Finance & Administration