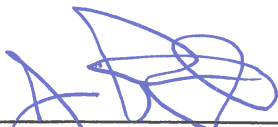





Board of Commissioners
Special Meeting
July 22, 2019
6:00pm

Call to Order	Commissioner Gramann called the meeting to order at 6:00pm
Roll Call/Pledge of Allegiance	Present: Commissioners Jaszka, Jeffery, Bird, Gramann, Powers and Sokolowski. Commissioner Del Preto arrived at 6:02. Staff: Executive Director Reuter, Directors Rini, Bachewicz and Hamilton, Superintendent Scumaci and Andy Arndt from RW Baird.
Listening Post	Jim Zay expressed concern about the park district taking on additional debt. He likes the idea of restructuring existing debt but not adding debt or extending repayment schedule.
Changes to the Agenda	None
Discussion Items	<p>1. Possible Restructure and Issuance of Park Bonds</p> <p>Executive Director Reuter thanked Commissioners for scheduling this special meeting and for listening to the audio recording of the last Finance Committee Meeting. The packet outlines the three options we are here to discuss: #1 Do Nothing; #2 Refinance existing bonds; #3 Refinance existing bonds and issue up to \$3,000,000 in new money under our debt service extension base.</p> <p>Mr. Arndt provided a recap of the last meeting noting it has been almost 10 years since the District issued limited bonds. Tonight the Board is being asked to consider refinancing, and/or issuing additional limited bonds. During the original bond issuance, the Board expressed concern over spikes in the repayment schedule which steadily climbs over the next twelve years, peaking at over \$9 million in 2032 and then lowering again to the \$6 million for the next four years. By refinancing a portion of existing debt, we will achieve lower interest rates and even out the payments throughout the remaining 18 years. It does not extend repayment and was part of the original plan when the voters approved the referendum. Commissioner Jeffery asked if it is possible to level out the repayment plan by paying extra and not refinancing to avoid the \$2.9 million in costs; there is not. Arndt explained how the current market conditions, changes in Springfield and EAV are all aligned to allow for this to take place. It also enables the District to consider the issue of new limited bonds for up to \$3 million without going to voters for approval. Our Bond Council would review and approve the list of district projects to ensure they qualify for the 25 year life of the bonds. That would be the next step if the board proceeds with this option.</p> <p>Commissioner Sokolowski asked how taxes will be impacted if we do nothing. Director Rini explained the tax levy will continue to increase each year to cover our increasing repayment schedule. Commissioner Bird asked if we ever recoup the cost to refinance the existing bonds. Mr. Arndt explained the \$2.9 million are the cost to level out the debt; it's not like closing costs for a mortgage. Commissioner Powers asked if the Build</p>

	<p>America Bonds were being considered for refunding. Mr. Arndt explained that Baird looks at each bond issue and picks out specific ones to achieve the goals for restructuring the debt. The Build America Bonds are not eligible for restructuring until later in 2020. Commissioner DelPreto asked if the increasing EAV and lower bond rates would ever even out so we could accomplish the goal of steady repayment without refinancing. Mr. Arndt explained that by refinancing we accomplish that goal; otherwise, it is impossible to guess the future. Commissioner DelPreto pointed out that the gradual increase could be tolerated, followed by four years of higher payments that spike at \$9.5 million, but then start to lower starting in 2033.</p> <p>President Gramann asked each Commissioner to state their preference as discussed. Commissioner Sokolowski chose option #2.</p> <p>Commissioner Jaszka chose option #2 saying he thinks it will be harder to refinance later.</p> <p>Commissioner Jeffery chose option #1, suggesting we look into refinancing the Build America Bonds next year.</p> <p>Commissioner Powers agreed and chose option #1, commending Mr. Arndt and staff for presenting these options for Board consideration.</p> <p>Commissioner Del Preto chose option #1.</p> <p>Commissioner Bird chose option #1; adding he thinks we have time to take action before the payments spike.</p> <p>Commissioner Gramann could go either way but went with the majority and chose #1. Commissioner Gramann asked Commissioners Sokolowski and Jaszka if they were ok with option #1; they were since it was the consensus of the Board. Mr. Arndt committed to keep monitoring the market and inform staff if the opportunity presents itself to refinance the Build America Bonds in 2020.</p>
Action Items	None
Closed Session	None
Action Pertaining to Closed Session	None
Adjournment	Commissioner Del Preto made a motion to adjourn the meeting. Seconded by Commissioner Bird. Voice Vote taken. Motion passed 7-0-0. Meeting adjourned at 7:04 pm.



Secretary
Jim Reuter



President
Brenda Gramann

August 26, 2019
Date