



Finance Committee Meeting Minutes

August 25, 2025

5:00 - 6:00 pm

Present: Commissioners Jeffery, Parisi, Witteck, and Becker
Staff: Executive Director Rini, Directors Bachewicz, Hamilton, and Scumaci, and Executive Assistant Greninger

Topic: **Bond Restructure and Refinance Discussion**

Andy Arndt from Meristem Advisors attended this committee meeting to review the Debt Restructuring and Refinancing options available to the District. The 2016 bonds will be callable soon and we can restructure them for savings, or to gain up to \$3 million in new capital funds.

A simple refinancing of the callable bond would create approximately \$875,000 in savings, and reduce interest rates from 5% to 3.83%. The Board can also choose to combine this refinancing with the issuance of approximately \$3M in new money to advance the District's Capital Improvement Plan, or make repairs to the Coral Cove/Simkus Center damage.

There are two options for the issuing new money. Option 1 extend debt by 5 years, but reduces the tax levy for bond payments from 53% to 48% of the District's overall tax levy. While it would reduce an average tax payers' payment to the District, it is a more aggressive expensive due to extensive restructuring requirements. Option 2 is a more conservative approach for acquiring new money. It only reduces the tax levies for the next 5 years, and extends the debt 2 years. It preserves the ability to refinance additional bonds in five year and take advantage of possible lower rates in the future. This also reduces professional fees by restructuring and issuing new bonds at the same time.

Commissioner Jeffery said the interest rates were high at the 2010, so we can refinance them at lower rates now, but she is concerned about issuing new money without purpose. We have been working on projects from the Capital Improvement Plan without borrowing money.

Executive Director Rini said many of the projects we have worked on this year are for repairs. Our transfers to the capital fund these past two years are good, but will be impacted by what has happened at Coral Cove and Simkus. We have identified a large loss of water that is likely a leak at Coral Cove Water Park that is affecting the gym floor at Simkus and the electrical feed to the pool lobby and locker rooms. This could impact revenue production, slow or reduce a transfer to capital, as well as progress on the capital improvement plan. Additionally, pursuing grants requires matching funds.

Mr. Arndt reviewed the timeline, which includes publishing the BINA (Bond Issuance Notification Act) notice in the newspaper in early September and having the public hearing at

the September 22 Board Meeting. The Parameters Ordinance would be approved at the October 14 Board Meeting. These are steps for the District to position itself for the potential issuance of new money, but don't 'require' the Board to act until later in the year.

Commissioner Jeffery asked what happens if we don't move that fast? How fast do interest rate changes affect us? Mr. Arndt recalled the 2021 refinance and the interest rates changed really fast.

Commissioner Jeffery said there is still much to discuss, but the Board Meeting will be starting in a few minutes. She asked Mr. Arndt to stay with us to continue the conversation. The committee meeting was adjourned at 6:00 pm.

Respectfully submitted by:

A handwritten signature in dark ink, appearing to read "Sue Rini", with a stylized flourish at the end.

Sue Rini
Secretary