Minutes
Committee Members Present: Frangiamore and Stanko
Commissioners Absent: Hauck
Commissioners Present: Renner and Howell

Guest Present: None

Staff Present: Jones, Krueger, Rogus, Raica, Hughes, Kelly, and Lee.

Chair Stanko called the meeting to order at 6:30 PM.

The Pledge of Allegiance to the Flag was recited.

The minutes from the September 13, 2018 Administration, Finance, and Personnel Committee meeting were presented for approval.

Stanko requested that the minutes be corrected to better capture his question during the meeting about adding language to the Management Letter regarding to the Foxford Hills Golf Club fund deficit. Jones explained that the Park District does not have control over the content, it is the auditor’s letter to the Board. Stanko requested that something be added to the minutes to reflect his question to the auditor about the way the Park District handles debt payments. After further discussion on the minutes, Stanko requested the minutes be tabled until the next meeting. At his request the minutes were tabled.

No matters from Public, Commissioners, or Staff.

Under direction items, the 2018 Levy Estimate, was discussed.

Jones reviewed the discussion on the 2018 Levy from the AFP Committee in July and August 2018. Preparation of a levy request is an annual item that all government agencies go through. A levy ordinance will be presented to the Board in November based on discussion that occurs this evening. Jones stated, per law, 20 days prior to the adoption of the levy, the Board must provide an estimate as to the amount of the levy. The Park District should announce that its 2018 tax levy will not exceed 105% of the previous year’s tax extension, if that is what the Board decides upon.
Krueger explained that she would present the Committee with an estimated low and an estimated high EAV scenarios. Although the December Board meeting will be prior to the last Tuesday of the calendar year, it is suggested that the annual Levy Ordinance continue to be adopted at the November meeting.

Krueger stated that due to a projected increase in the 2018 EAV, the tax rate is anticipated to decrease. The 2017 rate setting EAV was $580,427,352 and the taxes extended for the District totaled $4,672,022.28 resulting in a tax rate of $0.804928/$100 EAV.

Krueger explained the Park District recently received a projection from the Algonquin Township Assessor’s office that projected an increase of 6.5% in EAV. It is expected the State Equalizer will be 1.0, but this number has not been finalized yet. The resulting proposed levy request is below the 5% levy request criteria defined within the Truth in Taxation Act as requiring publication.

Krueger then asked if there were any questions from Commissioners. Stanko asked Krueger if she was using the assessor’s estimated EAV of $618,155,130 for the 2018 proposed levy request. Krueger said she did not. Krueger stated that the 2018 proposed levy request is a mathematical equation to keep the request at less than 5%. Stanko asked if this is more than a 2% increase of the assessor’s estimate. Krueger stated that it was. She further explained that the 2018 proposed levy request is derived by maximizing the levy request in the Corporate and Recreation funds. Next, she looks at the Total Capped Funds allowed and allocates the remaining balance to the other funds.

Frangiamore asked about the state equalizer and what happens to all the projected figures if that changes. Jones said that a multiplier would raise the EAV. Since the EAV’s have trended upward in the last few years, it’s not likely there would be a state equalizer. Jones said EAV increase would make the tax rate drop further than it is already projected to drop but would not impact the amount extended for tax dollars.

**Frangiamore move to recommend the President of the Board of Commissioners announce at the October 25, 2018 Board Meeting that the District estimates the 2018 Tax Levy will not exceed 105% of the previous year’s tax extension. Second by Stanko.**

Voice vote: 2-0. All voting yes. Motion carried.

Under direction items, the Competitive Sale for Issuance of General Obligation Limited Tax Park Bond, Series 2018B, was discussed.

Jones explained that each year at this time staff gets approval from the Board to conduct the sale of the roll-over bond.

Krueger explained that Speer Financial will be conducting the sale with Chapman and Cutler as council. The proceeds will be used to pay existing debt. For the 2018B issue the previous legal maximum will be increased by 2.1% for a total of $730,088.67. The results of the sale will be
ratified at the Board meeting on November 15th with a closing on November 30th. A rep from Speer will be present to go over bid results from the rollover bond at the November 15th meeting.

Krueger reviewed the debt service schedules with the Committee. She asked if there were any questions on the materials provided. Frangiamore asked if the actual interest rate is different from the projection how is that difference captured. Krueger stated that Speer would adjust the amount of the bond accordingly to address this.

**Frangiamore moved to recommend Board approval of conducting a competitive sale for the issuance of the G.O. Limited Tax Park Bonds, Series 2018B. Second by Stanko.**

Voice vote: 2-0. All voting yes. Motion carried.

**Frangiamore moved to adjourn the meeting. Second by Stanko.**

Voice vote: 2-0. All voting yes. Motion carried.

Meeting adjourned at 7:03 PM.