

Cary Park District  
Board of Commissioners  
**Committee of the Whole Meeting**  
July 9, 2020  
7:00 PM  
Community Center  
255 Briargate Road  
Cary, IL

**Minutes**

Board Members Present: Murphy, Stanko, Victor, Renner, and Frangiamore.

Staff Present: Jones, Kelly, Hall, Rogus, Hughes, Krueger, and Lee

Guests Present: Josh Victor, Resident  
Aaron Gold, Speer Financial

President Frangiamore called the meeting to order at 7:00 PM.

The Pledge of Allegiance was recited.

Frangiamore asked if there were any matters from the Public, Commissioners, and staff.

No matters from the public.

Murphy thanked Jones and staff for all their efforts getting the pool open. He likes the schedule that was set up and the structure for using the facility.

Renner said his family was in town recently, and he showed them all the trails and facilities that are available to the residents of Cary. They were really impressed with what they saw.

Victor thanked staff for the hard work maintaining the parks and getting the pool and splash pad ready for the community to use. She is happy to see the guidelines put in place so the pool could be used safely when opened.

Kelly said that preschool is pretty much wrapped up with a few remaining items on the exterior landscape. The preschool teachers came back a few weeks ago to pack up supplies that was moved to the new facility by parks staff. Most of the rooms are full of new and older items. The goal is to have programming in there by the end of the month and first week of August.

Hall said the fitness center opened this week with limited hours. So far, there have been 44 users. Next week the Community Center hours will be expanded and the pool will be open. Those individuals who purchased a pool pass were refunded and given priority access until this Saturday to reserve pool time, and then registration opens up to residents.

Rogus said that all satellite restrooms will be open by next Monday, but the one at Kaper Park has opened up with the park. Three new custodial staff were hired to accommodate the extra cleanings. The pool was up and running in 13 working days, which is 1/3 the normal time to open up the pool. Facilities staff have been over at Kaper Park preparing the splash pad to open up on Monday, July 13. The grounds crews are back to a normal routine of mowing and maintenance of various areas.

Jones said the golf course is doing really well. In the last few weeks the customer service aspect has been challenging with regard to a few patrons following COVID guidelines to use the golf course. Staff at the golf course is working really hard to keep things running smoothly. There have been several times this past month when there were over 300 rounds played a day.

The minutes from the June 11, 2020 COW meeting were presented for approval.

***Stanko moved to approve the minutes as presented. Second by Murphy.***

Roll call: Yes – Victor, Renner, Murphy, Stanko, and Frangiamore. No – None. Motion carried.

The first Discussion item was Financial Plan – Outdoor Aquatic Facility Project.

Jones introduced Aaron Gold from Speer Financial. Tonight's discussion is about the financial aspect of the new Aquatic Facility to fund the construction of the project. Chapman and Cutler (bond counsel) is working on an authorizing ordinance that will be presented at the July meeting.

Krueger said that in May staff reported to the Board that they would consult with Speer Financial on the options to finance the new Outdoor Aquatic Facility. To accomplish this project the Park District will issue debt. Existing debt, Series 2013A, will be paid off this December and the retirement of this debt will fall in line with the issuing of the new debt for the aquatic facility project. Previously, the Board had directed staff to move forward but cautiously with the project due to COVID. To assist with this directive the Board will have an opportunity to re-evaluate the project timeline moving forward in the future. Rather than one large debt issue, the financial plan from Speer proposes issuing two debt issues instead of one.

Gold stated he would introduce the various options to the Board to issue debt this evening. He first explained an Alternate Revenue Source Bond. The source of repayment is often referred to as the "double-barreled" bonds. Alternate revenue source bonds are paid from any lawfully available resource and have a property tax levy as back up should the primary source of repayment not be available to pay the principal and interest on the bonds. Alternate Revenue Source Bonds typically do not count against the District's debt limits, but it must show sufficient revenue coverage prior to issuance, and it is subject to a 30-day back door referendum period.

Gold explained the total debt capacity of the Park District. He stated that one reason to issue two series of bonds is bank qualified rates. Park Districts have the ability to issue \$10 million each year that would be bank qualified. Institutional investors can write off a portion of the interest income which results in lower bid interest rates. By breaking up the issues, the bonds are more promotional to institutional investors which should bring in lower interest rates.

Krueger said the other reason to break it into two debt issues is that the Board wanted to be cautious moving forward, so this is giving the Park District time to pause the project, if needed.

Renner asked if brick and mortar costs have to be covered. Gold said it has to be covered on the debt service and sources of repayment of 125% of debt service which is the statutory requirement. The model provided more than exceeds it. Renner asked what the extra 25% was, and Gold said it is a cushion.

Gold explained the municipal bond market is alive and well, and recent sales have seen very low interest rates.

Frangiamore asked from a timing standpoint if rates will go up, will the Park District will have to rethink the two bond model. Gold said they may go up or they may not, it is hard to foresee in the current environment, but that is why the Park District will take advantage of the low rates currently being offered with the first debt issue.

Gold stated the first steps to issue the bond are all legal requirements. A public notice must be posted in the local paper. Once published the community has 30 days to petition the ordinance, and if 7.5% of the registered voters within the Park District sign a petition, the issuance of debt could move to a referendum. A BINA hearing must also be held and the notice of the hearing must also be posted in the local paper.

The Board thanked Gold for the presentation.

Renner asked about the zoning process and how it interacts with the bond issuance. Jones said by the time, the debt sale is completed in October, the zoning process should be done. The projected schedule is that on Thursday, August 13 the Park District will go before Village Zoning Board and with a positive recommendation onto the Village Board. On Wednesday, September 1 the annexation and zoning will be expected to get executed at the same meeting of the Village Board.

Stanko asked if the second bond issuance would only follow the last four items on the schedule of activities necessary to issue debt. Gold said no more publications or hearings would be required with the second issuance since the authorizing ordinance and public postings are good for 3 years. Jones said the second debt issue will still go through the same sale process as is done with other debt issues.

Renner asked if construction documents will be created by the time the second bond is bid. What happens if the cost for the aquatic portion increases from \$8.2 million to \$9.2 million? Jones explained that staff will do everything within their power to build the entirety of the project within the \$12 million model.

Jones stated that this evening this item was for discussion and that based on the discussion the authorizing ordinance will be presented to the Board on July 23.

***At 7:40 PM, a motion was made by Stanko to enter Closed Session for the purpose of D. Pending or Probable Litigation (5 ILCS 120/2 © (11)). Second by Murphy.***

Roll call vote: Yes – Victor, Murphy, Renner, Stanko, and Frangiamore. No – None. Motion carried.

Frangiamore reconvened open session at 7:50 PM.

Frangiamore summarized Closed Session as follows: pending or probable litigation was discussed. No action was taken as a result of Closed Session.

***Motion to adjourn the meeting by Stanko. Second by Murphy.***

Voice vote: Yes – 5. No – None. Motion carried.

Meeting adjourned at 7:52 PM.

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Daniel C. Jones, Secretary  
Park District Board of Commissioners