

**Burr Ridge Park District  
Regular Meeting  
October 12, 2020**

**REGULAR MEETING**

The regular meeting of the Burr Ridge Park District was called to order at the Burr Ridge Community Center at 6:30 pm by Vice President Caplis.

Present: Caplis, Fara, Lawrence, Malloy  
Via Zoom Quigley  
Also present: Jim Pacanowski, Director  
Jamie Janusz, Superintendent of Finance  
Andrew Arndt, RW Baird  
Erica Paulius, Resident

**Approve October 12, 2020 Agenda**

Pacanowski asked to move Item VI B Unfinished Business, Discuss Future Capital Improvements to after Item IV Correspondence, and move Item VI A Unfinished Business Discuss Appointment of Upcoming Vacant Park Commissioner Position to after Unfinished Business B, Discuss Future Capital Improvements

**Approve September 14, 2020 Regular Meeting Minutes**

Malloy moved, seconded by Fara and approved by roll call vote to Approve the September 14, 2020 Regular Meeting Minutes.

Ayes: Caplis, Fara, Lawrence, Malloy, Quigley      Nays: None      Abstain: None

**OPEN FORUM**

No Open Forum

**CORRESPONDENCE**

Nothing further added to the written report.

**UNFINISHED BUSINESS**

Discuss Future Capital Improvements, A. Arndt, RW Baird

Pacanowski introduced Andrew Arndt of RW Baird to discuss in detail the borrowing capabilities of refinancing and answer any questions.

Andrew Arndt presented a detailed report summarizing options, limitations and capabilities for borrowing opportunities.

Caplis asked what percentage rate is being considered.

Arndt responded that depending on which type of bond, the new issuance would be a taxable limited bond, and the true interest cost would be 1.89 percent.

Caplis asked how much the RW Baird fee is.

Arndt responded that it is \$7 to \$9 per bond.

Caplis asked if that is per thousand dollar of bond.

Arndt responded that it is.

Caplis asked for verification of the 3.0 interest rate.

Arndt stated that it would depend upon the timing, however, currently it is 1.59.

Arndt stated that the focus is on limited bonds, which allows the finance of projects without going out of control with the amount of money borrowed.

Malloy asked what might happen if operating funds became low due to unforeseeable circumstances.

Arndt responded that the Bond Levy is a dedicated levy separate from the operating budget.

There was considerable discussion regarding interest rates and parameters of ordinance.

Caplis asked if RW Baird would be the Placement Agent.

Arndt responded that Baird would be the Underwriter/Placement Agent.

Pacanowski stated the following points in support of refinancing in the maximum amount.

- Parks thrive even when everything else has closed down due to COVID 19.
- Budget projections for the next 5 years is 70% for replacement and/or maintenance of existing equipment, 30% was for improvements and new projects.
- Rates are historically low right now.
- The refinance would only be tacking on 4 years of additional debt.
- It is plausible there will be spikes in the near future for interest rates.
- For four more years of adding on to the present debt, there is ten years of capital coverage.

Janusz added that this refinance in the full amount will not raise taxes. Taxes will remain the same and have remained the same since 1991.

Caplis stated that looking at refinancing, what does it cost in fees.

Arndt responded that the fee would be \$11,000 to \$12,000 for the 2012 bond, 2018 would be approximately \$4,000-\$5,000.

Lawrence stated that it makes sense to refinance. However, if the percentage is 70% going towards maintenance of current equipment, and we are consistently taking capital out in order to maintain equipment, eventually the equipment gets too much to maintain.

Pacanowski added that perhaps a referendum to increase the points for the tax rate would be a good idea.

Lawrence stated that this causes an interesting dilemma and disconnect when the parks are more important during a pandemic. This may be the time to go to the community to ask for an increase in the tax rate.

Caplis asked for opinions on refinancing the 2012 bond.

Fara agrees that refinance is a good idea.

Malloy agrees that refinance is a good idea.

Lawrence stated that refinance at this time makes sense.

Quigley agreed.

Caplis asked for opinions on refinancing the 2018 bond.

Malloy asked if the refinance added another 4 years. Janusz responded that it extends to 2031.

Malloy stated she agrees with refinance of 2018 bond.

Quigley asked if money would be saved by refinancing.

Arndt said it would.

Quigley said he agrees with refinancing. Quigley asked what is the projection of needs for the next 5 to 10 years based on money that we have.

Pacanowski stated that \$1.2 million in infrastructure and replacement and \$450,000 in new projects and potential OSLAD grants for a total of 1.7 million.

Quigley asked if there are any restrictions on how we have to spend this money.

Arndt responded that the IRS requires that 85% be spent in three years.

Quigley asked if 2012 and 2018 are refinanced what are the fees for these?

Arndt responded that on the high side \$70,000 for public sale, but private placement is an option for this type of sale and it would be explored as to which would provide the lowest interest rate.

Pacanowski asked if an option is no new money, just refinance of money. What savings would result in the refinance. Are less taxes collected from the public?

Arndt responded that the taxpayers get one levy broken in 2 pieces. The operating levy does not change. There would not be any additional operating money at all. They are completely separate.

Caplis asked what the savings would be if the 2012 and 2018 were refinanced only.

Arndt responded that \$72,000 for the first piece, \$44,000 for the second piece.

The \$120,000 would be extended to the taxpayers, however, a fee would be involved.

Lawrence asked what is lost on the operating side.

Arndt responded that nothing is lost on the operating side.

Pacanowski stated that capital improvement funding may have to be transferred which would affect operating fund.

Fara stated that the operational point of strength may be affected.

Caplis asked if there is a cost savings for financing the new money.

Arndt responded that there are certain fees you would not need to pay if the money was through private placement.

Quigley stated that he can't imagine a better time to borrow money. As a park district money has been handled very well and has stayed ahead of the curve as to what is needed to be in good operating condition. The tax rate would remain the same. The

refinance would only go out another 4 years. Quigley suggested refinancing the 2 bonds and the additional \$1.7 million.

Lawrence stated that Arndt, Janusz and Pacanowski previously stated that there is a need for the additional money. If there is a need, it is just kicking it down the road.

Fara stated that the interest rates alone are the reason for refinancing. Lawrence responded that this is the reason for refinance, but there is an additional 1.7 million being financed.

There was considerable discussion regarding the pros and cons of refinancing additional 1.7 million.

After lengthy discussion, there was a unanimous decision to set a Public Hearing for October 26, 2020 at 6:30 pm.

#### Discuss Appointment of Upcoming Vacant Park Commissioner Position

Pacanowski had the board members introduce themselves to Erica Paulius. Board Members were supplied with a questionnaire filled out by Paulius for the vacant park commissioner position.

### **REPORTS**

#### Director of Parks & Recreation

Nothing further added to the written report.

#### Superintendent of Finance

Nothing further added to the written report.

#### Recreation Division

Nothing further added to the written report.

### **NEW BUSINESS**

#### Discuss Authorized Usage for Full Time Employee Accumulated Sick Days

Pacanowski previously reviewed the policy for FMLA and suggested the need for clarity in the policy for FMLA usage.

Caplis asked if there is unused time and an employee leaves, do they get paid for this unused time?

Pacanowski stated that they do not.

Quigley stated that right now the park district has not had a situation come up and have been very flexible.

Pacanowski stated that 10 days, 2 weeks for a 1 year period could be considered.

Caplis stated that 10 days, 2 weeks at a time during a six month period would be okay

.  
After some discussion it was agreed to change the policy to no more than 15 days during a 1 year period.

### Adopt Intergovernmental Agreement for Participation in Cook County Covid 19 Reimbursement Program

Lawrence moved to Adopt the Intergovernmental Agreement for Participation in the Cook County Covid-19 Reimbursement Program and designate Jamie Janusz as agent contact, seconded by Malloy and approved by roll call vote.

Ayes: Caplis, Fara, Lawrence, Malloy, Quigley      Nays: None      Abstain: None

### **APPROVAL OF BILLS**

Malloy asked why there is a bill for a telephone at Woods Pool.  
Janusz stated that it would cost more to disconnect the land line.

Malloy asked for verification of the bill for algae treatments.  
Pacanowski responded that this is an annual service.

Malloy asked for verification of paint for marking of the trees.  
Pacanowski responded that this is for JULIE

Caplis asked if tree planting was reimbursed?  
Pacanowski replied that the trees were free.

Caplis asked if a rock was thrown at a backboard? Pacanowski replied no rock or clue regarding the source was recovered.

Caplis asked for verification of a Chase \$170,000 bill.  
Janusz responded that this is the regular principal bill.

Caplis asked for verification of Fox Valley Safety bill for \$160.00.  
Janusz responded that this is to test the kitchen vents and hood which is required yearly.

Caplis asked for verification of computer services for \$735.00 to Mike Kuchta.  
Janusz responded that this is for the IT Tech.

Caplis asked for verification of athletic paint for \$784.00.  
Pacanowski replied that it is for football marking paint.

Caplis asked for verification for a replacement water valve.  
Pacanowski responded that this is for a component piece.

Caplis asked for verification of an Atomatic bill.

Pacanowski responded that this is for a thermostat issue in the office.

Caplis asked for verification of \$1,087.20 for granite - site one.

Pacanowski responded that this was for replenishment of wetland trails crushed granite.

Caplis asked for verification of Andy's Landscape bill for amenities.

Pacanowski responded that this is for power washing, and other maintenance duties as written on the invoice pages.

Caplis asked for verification of the air filter bill for Andy's.

Pacanowski responded that Atomatic replaces the filters 2 times a year, however, the filters were just recently upgraded and will be replaced 4 times during pandemic conditions, and were replaced by Andy's.

Malloy moved, seconded by Fara and approved by roll call vote to Approve October bills.

Ayes: Caplis, Fara, Lawrence, Malloy, Quigley      Nays: None      Abstain: None

## **ADJOURNMENT**

Fara moved, seconded by Lawrence and unanimously approved to adjourn the Regular Meeting at 8:43 pm

Respectfully submitted,

Sherry Stednitz  
Recording Secretary