

Stark County Park District Park Board – Special Meeting Minutes
Teleconference Via Live Streaming
April 29, 2020
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(AGENDA ITEM: 3)

- 1. CALL TO ORDER** – The special meeting of the Stark County Park Commission was called to order by Andy Hayden at 2:00 p.m.

A. Roll Call of Members:

MEMBERS PRESENT:

Andy Hayden, Bill Bryan, Denise Freeland, Ralph Dublikar, Pat Quick

STAFF PRESENT:

Robert Fonte, Director/Secretary to the Board
Barbara Wells, Financial Manager
Corianne Kocarek, Executive Assistant/Clerk to the Board

GUESTS PRESENT:

None

B. Adoption of Agenda

D. Freeland MOVED to adopt the agenda, which was SECONDED by P. Quick

DISCUSSION:

None

MOTION CARRIED on a vote as follows:

Voting Aye: Andy Hayden, Bill Bryan, Denise Freeland, Ralph Dublikar, Pat Quick

2. NEW BUSINESS

A. RESOLUTION: #20-04-028: Wildlife Conservation Center Note Sale Transfer

WHEREAS, the Stark County Park District Board of Park Commissioners previously approved the Wildlife Conservation Note with Resolution #19-04-033; and

WHEREAS, the current note in the amount of One Million Six Hundred Thousand Dollars (\$1,600,000.00) is due May 8, 2020; and

WHEREAS, a new note, Series 2020A, is recommended in the amount of One Million Three Hundred Thousand Dollars (\$1,300,000.00) with a maturity date of December 4, 2020; and

WHEREAS, the interest rate on the Note Series 2020A will be the current interest rate of Two and One Quarter Percent (2.25%); and

WHEREAS, a transfer is needed from the General Fund for an amount not to exceed Three Hundred Thirty Three Thousand Eight Hundred Dollars (\$333,800.00) for principal, interest and legal fees.

NOW, THEREFORE, BE IT RESOLVED, by the Stark County Park District Board of Park Commissioners to authorize Note Series 2020A in the amount of One Million Three Hundred Thousand Dollars (\$1,300,000.00) with an interest rate of Two and One Quarter Percent (2.25%) maturing on December 4, 2020.

BE IT FURTHER RESOLVED, by the Stark County Park District Board of Park Commissioners to transfer an amount not to exceed Three Hundred Thirty Three Thousand Eight Hundred Dollars (\$333,800.00) from 072.28.0000.82100 (Transfers Out) to 529.28.0000.72100 (Transfers In) for principal, interest and legal fees.

P. Quick MOVED to adopt this resolution, which was SECONDED by R. Dublikar

DISCUSSION:

R. Fonte stated these were the two resolutions that were removed from the April 1, 2020 Park Board Meeting due to the work between the bond counsel and the bank was not completed in time for that meeting

B. Wells stated that \$300,000.00 will be applied to the principal putting the balance at \$1,300,000.00 and the interest rate is the same as the last note. The legal fees may be a bit higher because they had to do a little more work, which was the delay in not having it in the last Board meeting. We anticipate it to be about \$2,000.00 more for legal work. This will transfer the money from the general fund to the bond fund which is also the permanent improvement fund.

MOTION CARRIED on a roll call vote as follows:

Voting Aye: Andy Hayden, Bill Bryan, Denise Freeland, Ralph Dublikar, Pat Quick

B. RESOLUTION: #20-04-029: Wildlife Conservation Note Sale – Squire Patton Boggs, LLP

The Board of Park Commissioners of the Stark County Park District, County of Stark, State of Ohio, met in special session on April 29, 2020, commencing at 2:00 p.m., by a YouTube Live streaming of a Zoom meeting (all in accordance with Amended Substitute Ohio House Bill 197 (“H.B. 197”)) with the following members present:

A. Hayden D. Freeland

W. Bryan R. Dublikar

P. Quick

The Secretary advised the Board that the notice requirements of Section 121.22 of the Revised Code, as amended by H.B. 197, and the implementing rules adopted by the Board pursuant thereto were complied with for the meeting.

B. Bryan moved the adoption of the following resolution:

RESOLUTION NO. 20-04-029

A RESOLUTION AUTHORIZING THE ISSUANCE OF PARK DISTRICT IMPROVEMENT NOTES, SERIES 2020A, IN THE AGGREGATE PRINCIPAL AMOUNT OF \$1,300,000, IN ANTICIPATION OF THE RECEIPT OF CERTAIN TAXES AUTHORIZED TO BE LEVIED IN THE PARK DISTRICT FOR THE PURPOSE OF ACQUIRING AND IMPROVING LANDS OF THE PARK DISTRICT.

WHEREAS, at the election held on November 6, 2012 and pursuant to Section 1545.21 of the Ohio Revised Code, the electors of this Park District authorized a replacement and additional tax levy at the rate of 1.00 mill to be levied on all of the taxable property situated in this Park District for a period of eight consecutive years beginning with the 2012 tax year for the purpose of acquisition, planning, development, operation, maintenance and protection of the park system; and

WHEREAS, that replacement and additional tax levy was first levied and extended on the Park District’s 2012 tax list and duplicate for collection in calendar year 2013 and will continue to be levied and extended on the tax list through tax year 2019 for collection in calendar year 2020; and

WHEREAS, pursuant to Resolution No. 19-04-033 adopted on April 3, 2019, a note in the aggregate principal amount of \$1,600,000, dated May 8, 2019, was issued for the purpose of construction of a new Wildlife Conservation Center, which note will mature on May 8, 2020 (the “Outstanding Notes”); and

WHEREAS, this Board has determined to issue new notes in the aggregate principal amount of \$1,300,000 that will mature on December 4, 2020 (the “New Notes”), to retire, together with other amounts available to the Board, the principal amount of the Outstanding Notes, on their maturity date; and

• **Reference 33**

WHEREAS, this Board has placed the renewal of the 1.00 mill tax levy on the ballot for consideration at the rescheduled primary election to be held on April 28, 2020 (the "Levy Renewal"), the final results of which will not be known until on or after May 8, 2020; and

WHEREAS, if the Levy Renewal fails, this Board will pay off the New Notes in the principal amount of \$1,300,000 plus interest accrued to the anticipated maturity date of December 4, 2020; and

WHEREAS, in order to ensure the payment of the New Notes if the Levy Renewal fails, this Board will deposit portions of the three remaining levy distributions anticipated to be received in August, September and October of 2020 into the Park District's bond retirement fund to be used solely to pay the principal and interest of the New Notes due on the anticipated maturity date of December 4, 2020, as further described in Section 7 herein;

NOW, THEREFORE, BE IT RESOLVED by the Board of Park Commissioners of the Stark County Park District, County of Stark, State of Ohio, that:

Section 1. It is hereby declared necessary, in anticipation of the collection of certain taxes authorized to be levied in the Park District as hereinbefore recited and the issuance of any subsequent refunding obligations, that this Board may determine to issue from time to time for the same purpose notes of the Stark County Park District, in the aggregate principal amount of \$1,300,000, for the purpose of acquiring and improving lands of the Park District. Those notes, subject to the terms and conditions herein contained, shall be issued in one installment.

Section 2. The notes shall bear interest at a single rate per year not to exceed 5% per year, payable at maturity, until the principal amount is paid or provided for, with such rate of interest to be fixed by the Park Director in his certificate awarding the notes at private sale in accordance with Section 4 hereof (the "Certificate of Award"); shall be dated as of the date of their issuance; shall mature on December 4, 2020, provided that the Park Director may, if it is determined to be necessary or advisable to the sale of the notes, establish a maturity date that is any date not later than December 4, 2020 by setting forth that date in the Certificate of Award; and shall be issued in such numbers and denominations as shall be requested by the purchaser thereof and approved by the Park Director of this Board, provided that the entire principal amount may be represented by a single note.

Section 3. The notes shall be signed by at least three members of this Board, provided that two of those signatures may be a facsimile; shall be payable in lawful money of the United States of America or in Federal Reserve funds of the United States of America at the main office of a bank or trust company with an office in Ohio selected by the Park Director and determined by him to be such that the payment at that bank or trust company will not endanger the funds or securities of the Park District and that proper procedures and safeguards are available for that purpose (the Paying Agent); and shall express upon their faces, in summary terms, the purpose for which they are issued and that they are issued pursuant to this Resolution. If agreed to by the original purchaser, the Notes shall be prepayable in whole or in part without penalty or premium at the option of the Park District at any one or more times prior to maturity (each a Prepayment Date) as provided in this Resolution. Prepayment prior to maturity shall be made by deposit with the Paying Agent of the portion of the principal amount of the Notes to be prepaid on the Prepayment Date, together with interest accrued on such amount to the Prepayment Date. The Park District's right of prepayment shall be exercised by mailing a notice of prepayment, stating the Prepayment Date, the amount to be prepaid and the name and address of the Paying Agent, by certified or registered mail to the original purchaser and to the Paying Agent not less than seven days prior to the Prepayment Date. If money for prepayment is on deposit with the Paying Agent on the Prepayment Date following the giving of that notice, interest on the principal amount prepaid shall cease to accrue on the Prepayment Date. The Park Director may request the original purchaser to use its best efforts to arrange for the delivery of the Notes at the designated office of the Paying Agent for prepayment, surrender and cancellation.

• **Reference 34**

Section 4. The notes shall be awarded and sold at private sale for not less than the principal amount thereof in accordance with Sections 1, 2 and 3 hereof; and the Park Director is hereby authorized and directed to determine the interest rate that the notes will bear in accordance with Section 2 hereof, to make any other designations required in connection therewith and herewith and to deliver the notes, when executed, to said purchaser upon payment of such purchase price. The Park Director, the Secretary of this Board and any member of this Board, as appropriate, are each authorized and directed to sign any transcript certificates, financial statements and other documents and instruments and to take such actions as are necessary or appropriate to consummate the transaction contemplated by this Resolution. The proceeds from the sale of the notes, except any premium and accrued interest, shall be paid into the proper fund and used for the purpose for which the notes are being issued under the provisions of this Resolution and are hereby appropriated for that purpose. Any premium or accrued interest received from such sale shall be transferred to the bond retirement fund of the Park District to be applied to the payment of the principal and interest of the notes in the manner provided by law.

Section 5. This Board covenants that it will use, and will restrict the use and investment of, the proceeds of the notes in such manner and to such extent, as may be necessary so that (a) the notes will not (i) constitute private activity bonds, arbitrage bonds or hedge bonds under Sections 141, 148 or 149 of the Internal Revenue Code of 1986, as amended (the Code) or (ii) be treated other than as bonds to which Section 103 of the Code applies, and (b) the interest on the notes will not be an item of tax preference under Section 57 of the Code.

This Board further covenants that (a) it will take or cause to be taken such actions that may be required of it for the interest on the notes to be and remain excluded from gross income for federal income tax purposes, (b) it will not take or authorize to be taken any actions that would adversely affect that exclusion, and (c) it, or persons acting for it, will, among other acts of compliance, (i) apply the proceeds of the notes to the governmental purpose of the borrowing, (ii) restrict the yield on investment property, (iii) make timely and adequate payments to the federal government, (iv) maintain books and records and make calculations and reports and (v) refrain from certain uses of those proceeds, and, as applicable, of property financed with such proceeds, all in such manner and to the extent necessary to assure such exclusion of that interest under the Code.

The Park Director, the Secretary of this Board, or any member of this Board having responsibility for issuance of the notes is hereby authorized (a) to make or effect any election, selection, designation (including specifically designation or treatment of the Notes as “qualified tax-exempt obligations”), choice, consent, approval, or waiver on behalf of this Board with respect to the notes, as the Board is permitted to or required to make or give under the federal income tax laws, for the purpose of assuring, enhancing or protecting favorable tax treatment or status of the notes or interest thereon or assisting compliance with requirements for that purpose, reducing the burden or expense of such compliance, reducing the rebate amount or payments or penalties, or making payments of special amounts in lieu of making computations to determine, or paying, excess earnings as rebate, or obviating those amounts or payments, as determined by that officer, which action shall be in writing and signed by the officer, (b) to take any and all other actions, make or obtain calculations, make payments, and make or give reports, covenants and certifications of and on behalf of the Board, as may be appropriate to assure the exclusion of interest from gross income and the intended tax status of the notes, and (c) to give one or more appropriate certificates of the Board for inclusion in the transcript of proceedings for the notes, setting forth the reasonable expectations of the Board regarding the amount and use of all the proceeds of the notes, the facts, circumstances and estimates on which they are based, and other facts and circumstances relevant to the tax treatment of the interest on and the tax status of the notes.

Each covenant made in this Section with respect to the notes is also made with respect to all issues any portion of the debt service on which is paid from proceeds of the notes (and, if different, the original issue and any refunding issues in a series of refundings), to the extent such compliance is necessary to assure exclusion of interest on the notes from gross income for federal income tax purposes, and the officers identified above are authorized to take actions with respect to those issues as they are authorized in this Section to take with respect to the notes.

Section 6. The proceeds from the sale of the notes in an amount not exceeding their principal amount are hereby appropriated for the purpose for which the notes are issued; any proceeds of the notes in excess of their principal amount shall be deposited in the bond retirement fund of the Park District. The amount to be received from the sale of the refunding bonds or notes anticipated by the notes herein authorized and any excess funds resulting from the issuance of the notes, shall, to the extent necessary, be used for the retirement of the notes at maturity, together with interest thereon, and are hereby pledged for such purpose.

Section 7. During the year or years while the notes are to run, the 1.00 mill levy approved by the electors of the Park District on November 6, 2012, anticipated by the notes and described in the preambles to this Resolution, shall be and the same is hereby levied on all the taxable property in the Park District at least to the extent required to pay principal of and interest on the notes and any refunding notes or bonds. That tax is a direct tax which shall be annually not less than that which would have been levied if the long-term refunding bonds had been issued without the prior issuance of the notes, which is the interest and sinking fund tax required by Section 11 of Article XII, Ohio Constitution. That tax shall be and is ordered computed, certified, levied and extended upon the tax duplicate and collected by the same officers, in the same manner and at the same time that taxes for general purposes for each of said years are certified, levied, extended and collected. To the extent required for the payment of the notes and any refunding notes or bonds, that tax shall be placed before and in preference to all other items and for the full amount thereof. This Board covenants that it will levy that tax for collection in each of the years the notes or any refunding notes or bonds are outstanding, and the funds derived from that tax in an amount required to pay the principal of and interest on the notes or any refunding notes or bonds, shall be placed in a separate fund that shall be a bond retirement fund, which, together with all interest collected on the same, shall be irrevocably pledged for the payment of the principal of and interest on the notes or any refunding notes or bonds in anticipation of which they are issued, when and as the same fall due. The proceeds of the anticipated tax levy are to be applied to the extent required to the payment of the principal of and interest on the notes or any refunding notes or bonds as they come due. The amounts of the annual proceeds of the anticipated tax levy required to pay that principal and interest in each year are deemed to be appropriated to pay that principal and interest and shall be so applied; this Board covenants that it will give effect to that appropriation, to the extent stated above, in resolutions it hereafter adopts appropriating money for expenditure or encumbrance in each of the years in which the notes or any refunding notes or bonds mature.

If the Levy Renewal fails, this Board covenants to ensure that the Park Director deposits \$500,000 of the levy receipts anticipated to be received in August 2020, \$500,000 of the levy receipts anticipated to be received in September 2020 and \$400,000 (or such other amount as certified in writing by the purchaser of the Notes as the amount necessary to pay off the New Notes in full on their maturity date) of the levy receipts anticipated to be received in October 2020 into the bond retirement fund of the Park District. This Board further covenants to ensure that the Park Director uses those amounts deposited in the bond retirement fund of the Park District to pay off the New Notes in full on their maturity date.

Section 8. It is determined that all acts, conditions and things necessary to be done precedent to and in the issuing of the notes in order to make them legal, valid and binding special obligations of the Park District have happened and have been done and performed in regular and due form as required by law and that the amount of indebtedness to be incurred by the issuance of the notes does not exceed any limitation of indebtedness as fixed by law.

Section 9. The Secretary of this Board is hereby directed to forward a certified copy of this Resolution to the Auditor and the Treasurer of Stark County.

Section 10. It is hereby found and determined that all formal actions of this Board concerning and relating to the adoption of this Resolution were taken in an open meeting of this Board as permitted by H.B. 197, and that all deliberations of this Board and of any of its committees that resulted in those formal actions were in meetings accessible by the public, in compliance with the law.

Section 11. This Resolution shall be in full force and effect from and immediately upon its adoption.

• **Reference 36**

D. Freeland seconded the motion.

Upon roll call on the adoption of the resolution, the vote was as follows:

A. Hayden D. Freeland

W. Bryan R. Dublikar

P. Quick

The foregoing is a true and correct excerpt from the minutes of the meeting on April 29, 2020, of the Board of Park Commissioners of the Stark County Park District, showing the adoption of the resolution hereinabove set forth.

B. Bryan MOVED to adopt this resolution, which was SECONDED by D. Freeland

DISCUSSION:

R. Fonte stated that there is language in the Note resolution for setting aside funds in the event, because of the timing of the payoff of the current Note, the Park District had to ensure the bond counsel and the bank that there would be sufficient funds to completely pay off the Note in December should the levy not pass yesterday. Technically since the Board of Elections cannot certify the results of the election until May 19, the bond legislation is written as that certification is not favorable. Those conditions are moot once the levy is certified as having passed. They were written that way intentionally as a worst case scenario the Board has to be committed to setting aside those funds as they came in for distribution

B. Wells stated there is nothing else different other than the legal counsel stated we need to adopt this as it stands due to the certification of the levy

A. Hayden asked if we anticipated receiving that certification by May 19

R. Fonte responded that they have to have it done by then

B. Wells stated she needs three board members to sign

MOTION CARRIED on a roll call vote as follows:

Voting Aye: Andy Hayden, Bill Bryan, Denise Freeland, Ralph Dublikar, Pat Quick

3. ADJOURNMENT

BE IT RESOLVED to adjourn at 2:11 p.m. Next scheduled meeting: May 6, 2020 at 2:00 p.m. via Teleconference Live Stream

D. Freeland MOVED to adjourn the special meeting, which was SECONDED by P. Quick

MOTION CARRIED on a vote as follows:

Voting Aye: Andy Hayden, Bill Bryan, Denise Freeland, Ralph Dublikar, Pat Quick

APPROVAL DATE: May 6, 2020

ATTEST:

Andy Hayden, Chairperson
Stark County Park Commission

Robert A. Fonte, Director/Secretary to the Board
Stark County Park District

Corianne Kocarek, Executive Assistant/Clerk to the Board
Stark County Park District

• **Reference 37**