



FOREST PRESERVE DISTRICT OF KANE COUNTY

FOREST PRESERVE DISTRICT FINANCE AND ADMINISTRATION COMMITTEE MINUTES

I. Call to Order

The Forest Preserve District Finance and Administration Committee meeting was held Monday, April 23, 2018 at 2:00 PM at the Administration Offices located at 1996 S. Kirk Road, Suite 320, Geneva, IL 60134. The meeting was opened by Chairman Mark Davoust at 2:00 PM.

<u>Attendee Name:</u>	<u>Status:</u>
Chairman Mark Davoust	Present
Commissioner Theresa Barreiro	Present
Commissioner Rebecca Gillam	Present
President Michael Kenyon	Present
Commissioner Bill Lenert	Present
Commissioner John Martin	Present
Commissioner John Hoscheit	Absent
Commissioner Don Ishmael	Absent
Secretary Philip Lewis	Absent
Commissioner Penny Wegman	Absent

Others Present:

Monica Meyers, Executive Director, Ken J. Stanish, Director of Finance, Ben Haberthur, Director of Natural Resources, Jerry Culp, Director of Planning and Development, Laurie Metanchuk, Director of Community Affairs, John Goreth, Director of Operations, Mike Gilloffen, Director of Public Safety, Betsy Scaletta, HR Specialist, Caitlin Rodeghero, Administrative Assistant, Brittany Kovach, Community Affairs Specialist, Michele Springer, Planner, Anna Marano, Buyer, Jerry Hodge, Attorney, Ellen J. Maglio, Recording Secretary

II. Approval of Minutes from March 20, 2018

RESULT:	ACCEPTED [UNANIMOUS]
MOVER:	Theresa Barreiro, Commissioner
SECONDER:	John Martin, Commissioner
AYES:	Mark Davoust, Theresa Barreiro, Rebecca Gillam, John Hoscheit, Don Ishmael, Michael Kenyon, Bill Lenert, Philip Lewis, John Martin, Penny Wegman

III. Public Comment (Each speaker is limited to three minutes) *None.*

IV. New or Unfinished Business

A. Presentation and Approval of the 2018/19 Proposed Appropriation Budget and Ordinance 2018-2019 Proposed Budget

The proposed budget represents a consolidated effort of all staff in maintaining very tight controls on expenditures within the District. Prior year trends were reviewed, as well as, a priority analysis of new initiatives/purchases was created to determine the best uses of the funds available.

The General Fund's revenues will increase from \$8,089,362 in the current year to \$9,392,724 for FY18-19, an increase of 16.11%. The largest changes in revenues are:

- Property Tax – Increase of \$980,274. This is due to an increase in the levy, as well as, moving the majority of the capped levy to the General Fund and making transfers out to the IMRF Fund, the Insurance Liability Fund and the Social Security Fund totaling \$774,515. This allows better control of fund balances and more flexibility.
- Camping North & South – Increase of \$150,400. Budgeted revenues are expected to increase at both campgrounds due to the increase in rates.
- Fox Valley Ice Arena – Increase of \$364,688. This revenue source is being moved from the Construction & Development Fund to the General Fund to increase the diversity in revenues within the General Fund.
- Rental – Strikers Club – Increase of \$70,000. This revenue source is being moved from the Construction & Development Fund to the General Fund to increase the diversity in revenues within the General Fund.
- Rentals – Agriculture – Decrease of \$371,000. Some farm revenues are being moved to the Construction & Development Fund to offset the Ice Arena and Strikers Club revenues being moved to the General Fund and because some of these parcels have been identified as being removed from active farming and restored.

Expenses of note are as follows:

- Vehicles & Trailers - \$308,409 – All vehicles and trailers are replacements.
- Equipment - \$230,829 – The category includes a replacement ASV unit for Natural Resources estimated at \$100,000, the Cartegraph software program and a new sign printer/cutter.
- Staff - \$143,254 – Two new positions are in the budget for Natural Resources, a senior restoration technician and a restoration technician.
- Projects - \$86,900 – The largest expense is a website re-design for \$55,000.
- Based on the salary/position analysis done by Human Resources, \$184,159 was added to the General Fund in salaries, effective 7/1/18. Additionally, a 3% merit increase of \$70,547 was included for 1/1/19.

CONSTRUCTION & DEVELOPMENT FUND

A total of \$8,426,861 in new projects or additional funding of current projects is being proposed within the Construction & Development Fund. A few of the larger projects are:

- Aurora Bridge Project - \$1,500,000
- Natural Resource Facility (Phase 2 Building Construction) - \$350,000
- Tomo Chi Chi Paving & Asphalt Repair \$214,200
- Demolitions - \$200,000
- Replacement Trades Building - \$160,000
- Helm Woods Woodland Restoration - \$101,000
- ADA Improvements - \$100,000
- Vegetation Inventories - \$100,000
- Oakhurst Parking, Drive & Boat Ramp Engineering - \$100,000

Grant projects within the fund include the following:

- Settler's Hill Golf Course Improvements - \$3,500,000 (from Kane County)
- Raging Buffalo Snowboard Park Clubhouse - \$500,000 (from Kane County)
- Great Western Trail Extension - \$250,000 (new money)

Also included in the Construction & Development Fund are projects that are still ongoing or have yet to be started but have already been approved in prior fiscal years. The carry-over amount will be updated prior to formal Commission approval in order to provide as accurate of an amount as possible.

IMRF FUND, INSURANCE LIABILITY FUND & SOCIAL SECURITY FUND

The property taxes for the IMRF Fund, the Insurance Liability Fund and the Social Security Fund were reduced to \$10,000 per fund. This strategy was discussed during the tax levy process last fall and the Commission agreed that placing the majority of the capped portion of the property taxes into the General Fund provided two benefits:

- Property taxes in the General Fund can be moved to other funds as needed. Property taxes that are levied for the IMRF, Insurance Liability and the Social Security Funds can only be used for those purposes.
- This allows for better management of the fund balance policies within each of the funds by only transferring the funds necessary at year-end to maintain the existing policies.

Appropriation Ordinance

The amount appropriated differs from the budgeted amount by 10%. It is common among municipalities to appropriate more than the amount budgeted by fund to allow for any unexpected expenditures that may arise during the fiscal year while keeping the District in compliance with state statute. Management monitors and reports its financial performance based on the amount **budgeted** and not appropriated. This practice was implemented in the 2012-13 budget cycle and has continued each year.

DISCUSSION: None.

RESULT:	MOVED FORWARD BY VOICE VOTE [UNANIMOUS]
TO:	FOREST PRESERVE DISTRICT EXECUTIVE COMMITTEE 5/4/2018 8:30 AM
MOVER:	John Martin, Commissioner
SECONDER:	Bill Lenert, Commissioner
AYES:	Mark Davoust, Theresa Barreiro, Rebecca Gillam, Michael Kenyon, Bill Lenert, John Martin
ABSENT:	John Hoscheit, Don Ishmael, Philip Lewis, Penny Wegman

- B. Presentation and Approval of Accepting the 2nd Year Option with Lauterbach & Amen LLP**
In Fiscal year 2014, the District conducted a request for proposal (RFP) for auditing services. Many firms were evaluated and the recommendation that was approved by the Commission was to award Lauterbach & Amen, LLP with a three-year contract for fiscal years 2014 through 2016. The District also included the option within the RFP to extend the contract for up to an additional 3 years if it so chooses. For fiscal year 2018, Lauterbach & Amen would increase the pricing from \$24,400 to \$25,000 for the standard audit and from \$3,200 to \$3,300 for a single audit (if required).

DISCUSSION: None.

RESULT:	MOVED FORWARD BY VOICE VOTE [UNANIMOUS]
TO:	FOREST PRESERVE DISTRICT EXECUTIVE COMMITTEE 5/4/2018 8:30 AM
MOVER:	Rebecca Gillam, Commissioner
SECONDER:	Bill Lenert, Commissioner
AYES:	Mark Davoust, Theresa Barreiro, Rebecca Gillam, Michael Kenyon, Bill Lenert, John Martin
ABSENT:	John Hoscheit, Don Ishmael, Philip Lewis, Penny Wegman

C. Presentation and Approval of Commissioners' Expenses Attending the 2018 IAPD/IPRA Annual Conference in Chicago

The Local Government Travel Expense Control Act, Public Act 99-0604, requires all local non-home rule public agencies, including forest preserve districts, to regulate the reimbursement of all travel, meals, and lodging expenses of their commissioners, employees and representatives effective January 1, 2017. The District approved, by resolution on December 13, 2016, a policy for the regulation of said expenses, which requires all travel expenses for commissioners be approved through a public meeting of the Commission.

Commissioners and staff attended the 2018 IAPD/IPRA Annual Conference in Chicago from January 18– 20. The following were the commissioners in attendance and their expenses (conference registration, hotel, parking, and meals) during this three-day conference:

Margaret Auger:	\$746.04
Rebecca Gillam:	\$803.26
Michael Kenyon:	\$632.73

DISCUSSION: None.

RESULT:	MOVED FORWARD BY VOICE VOTE [UNANIMOUS]
TO:	FOREST PRESERVE DISTRICT EXECUTIVE COMMITTEE 5/4/2018 8:30 AM
MOVER:	Bill Lenert, Commissioner
SECONDER:	John Martin, Commissioner
AYES:	Mark Davoust, Theresa Barreiro, Rebecca Gillam, Michael Kenyon, Bill Lenert, John Martin
ABSENT:	John Hoscheit, Don Ishmael, Philip Lewis, Penny Wegman

D. Presentation and Approval of a Collateral Assignment of the License Agreement with the Cougars Baseball Partnership and American Sports Enterprises, Inc.

Recently, the Cougars refinanced part of their debt with The Huntington National Bank. As part of that refinancing, the bank requested that the Cougars execute a collateral assignment of license agreement in the case that the Cougars default, the bank would take over the license agreement. The District is being requested to acknowledge this agreement. The language has been reviewed by the District's counsel and is determined to be beneficial to the District. One example of this is stated in the fourth paragraph that obligates the Cougars to extend the term of the agreement with the District unless the Cougars and the bank agree to not extend.

DISCUSSION: Commissioner Martin asked to clarify the possibility of default what the next steps are with regards to this document. Attorney Hodge explained that the District has not had a document like this in the past, but this adds a second layer of protection, similar to a mortgage on a loan. This is a separate item from the lease agreement, not necessarily an agreement protection. Chairman Davoust added that this document has to do with more of a "checklist" item by the underwriters.

RESULT:	MOVED FORWARD BY VOICE VOTE [UNANIMOUS]
TO:	FOREST PRESERVE DISTRICT EXECUTIVE COMMITTEE 5/4/2018 8:30 AM
MOVER:	Bill Lenert, Commissioner
SECONDER:	Theresa Barreiro, Commissioner
AYES:	Mark Davoust, Theresa Barreiro, Rebecca Gillam, Michael Kenyon, Bill Lenert, John Martin
ABSENT:	John Hoscheit, Don Ishmael, Philip Lewis, Penny Wegman

V. Closed Session to Discuss Land Acquisition, Contracts, Litigation and Personnel None.

VI. Communications

Director Metanchuk reported that the Earth Day events held on Saturday were well attended and fun for all. There were over 300 people in attendance for the tree planting and that the Open House also was well attended.

VII. Chairman's Comments

VIII. Adjournment

RESULT:	ADJOURNED BY VOICE VOTE [UNANIMOUS]
MOVER:	John Martin, Commissioner
SECONDER:	Theresa Barreiro, Commissioner
AYES:	Mark Davoust, Theresa Barreiro, Rebecca Gillam, Michael Kenyon, Bill Lenert, John Martin
ABSENT:	John Hoscheit, Don Ishmael, Philip Lewis, Penny Wegman

Mark Davoust, Chairman
Forest Preserve District Finance and Administration Committee
Forest Preserve District of Kane County

Adjournment until: Tuesday, May 24, 2018 at 2:00 pm
Forest Preserve District Administration Offices
1996 S. Kirk Road, Suite 320 Geneva, Illinois

Respectfully Submitted,

Ellen J. Maglio

Ellen J. Maglio
Recording Secretary