



FOREST PRESERVE DISTRICT OF KANE COUNTY

FINANCE AND ADMINISTRATION COMMITTEE MINUTES

I. Call to Order

The Finance and Administration Committee meeting was held Wednesday April 26, 2017 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 2:10 PM.

Members Present:

Attendee Name	Title	Status
Michael Kenyon	President	Present
Mark Davoust	Chairman	Present
Theresa Barreiro	Commissioner	Present
Brian Dahl	Commissioner	Present
Rebecca Gillam	Commissioner	Absent
John Hoscheit	Commissioner	Absent
Don Ishmael	Commissioner	Present
Bill Lenert	Commissioner	Present
Philip Lewis	Secretary	Present
John Martin	Commissioner	Present
Penny Wegman	Commissioner	Present

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, Tracey Smith, Director of Human Resources, Mike Gilloffo, Police Chief, Jerry Hodge, Attorney, Ellen J. Maglio, Recording Secretary

II. Approval of Minutes from March 21, 2017

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

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

IV. Bids and Proposals

A. Presentation and Approval of a Bid for Refuse and Recycling Removal Services

In an effort to reduce the cost of refuse removal, the District partnered with Kane County to be included in their bidding process for refuse and recycling services. The County bid requested pricing for a three year period with three additional option years if both parties agree. Three bidders submitted pricing with Waste Management Inc. (WMI) being the lowest bidder for the District, with a reduction of over 50% from current rates. WMI is the current provider for the District. The billing will continue to be consolidated into one statement per month, which will make the accounts payable process much simpler.

Every location that has a refuse container is listed as an on-call service for WMI. This means that WMI will not pick-up the refuse until the District calls and requests service. This helps reduce the costs since scheduling automatic pick-ups is not always necessary depending on the use at the various preserves.

A comparison of the District's current pricing compared to the new pricing is:

Type of Service	Current Price	New Bid Price
2-Yard Container	\$27.00	\$8.00
4-Yard Recycle Container	\$30.00	\$7.00
6-Yard Container	\$35.00	\$14.65

DISCUSSION: Director Stanish also explained that there is no limit to the number of pickups.

RESULT:	MOVED FORWARD BY VOICE VOTE [UNANIMOUS]
TO:	EXECUTIVE COMMITTEE 5/5/2017 8:30 AM
MOVER:	Bill Lenert, Commissioner
SECONDER:	Philip Lewis, Secretary
AYES:	Theresa Barreiro, Brian Dahl, Mark Davoust, Don Ishmael, Michael Kenyon, Bill Lenert, Philip Lewis, John Martin, Penny Wegman
ABSENT:	Rebecca Gillam, John Hoscheit

V. New or Unfinished Business

**A. Presentation and Approval of the 2017/18 Proposed Appropriation Ordinance Budget
 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:	EXECUTIVE COMMITTEE 5/5/2017 8:30 AM
MOVER:	Philip Lewis, Secretary
SECONDER:	Don Ishmael, Commissioner
AYES:	Theresa Barreiro, Brian Dahl, Mark Davoust, Don Ishmael, Michael Kenyon, Bill Lenert, Philip Lewis, John Martin, Penny Wegman
ABSENT:	Rebecca Gillam, John Hoscheit

**B. Presentation and Approval of the FY17-18 Proposed Budget
 2017-2018 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 created to determine the best use of the funds available. Summary highlights of the requested initiatives are in the charts below.

GENERAL FUND

Category	Amount Requested	% of New Requests	% of General Fund Budget
Additional Staff Hours ¹	\$2,996	0.50%	0.03%
Vehicles/Trailers ²	\$422,685	70.80%	4.54%
Machinery/Equipment ³	\$87,189	14.60%	0.94%
Projects ⁴	\$54,000	9.04%	0.58%
Other ⁵	\$30,169	5.05%	0.32%

The General Fund’s revenues increased slightly going from \$7,937,023 in the current year to \$8,089,362 for FY17-18, an increase of 1.9%. The largest changes in revenues are:

- Property Tax - \$240,339
- Investment Income - \$31,000
- Golf Courses - (\$60,000)
- State Replacement Tax - (\$55,000)

Included is a proposed transfer from the General Fund to the Construction & Development Fund of \$1,200,000. The General Fund is currently above its fund balance target of 3 - 6 months of operating revenue, and the District has numerous capital needs that can be funded with this transfer.

Expenses of note are as follows:

- Full-time salaries include a 3% merit increase.
- ¹The additional staff hours is for the Safety Coordinator in Human Resources.
- ²All vehicles and trailers in the budget are replacements of existing pieces.
- ³Machinery & Equipment is comprised of four zero-turn mowers, portable radio replacements for Public Safety and landscape equipment.
- ⁴Various projects will be conducted throughout the year such as a geothermal upgrade at the Muirhead maintenance facility, well house upgrade at Burlington FP, utility line clearing, and Creek Bend Facility painting.
- ⁵The "Other" category includes various other small adjustments to the General Fund budget to meet the needs of staff. No request is larger than \$7,000.

CONSTRUCTION & DEVELOPMENT FUND

A total of \$3,458,117 in new projects or additional funding of current projects is being proposed within the Construction & Development Fund. A few of the larger projects are:

- Natural Resource Facility (additional funds) - \$672,125
- Demolitions - \$150,000
- Fox River Trail South Elgin (additional funds) - \$120,000
- ADA Improvements - \$100,000

Grant projects within the fund include the following:

- Tyler Creek Parking & Trail Connection - \$500,000
- Hoscheit Woods RTP Grant Improvements - \$230,000
- Fabyan Bridge Project (additional funding) - \$225,270
- Raymond St. Trail Reroute (additional funding) - \$172,372
- LeRoy Oakes - Great Western Trail Improvements - \$150,000

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. As of March 15th, the carry-over amount is \$7,962,404. Included in this amount is \$1,918,992 earmarked for the bridge project in Aurora.

DISCUSSION: Commissioner Dahl asked if the 1.2 million in surplus is transferred can it move back, if necessary, at a later time. Director Stanish stated that most of the time if monies are dedicated they do not move back. This is an ongoing management process. Commissioner Lewis asked how many more years are left on the Cougar bonds. Director Stanish answered that the bonds will be paid off in 2027.

Commissioner Ishmael asked how much unfunded liability there was with IMRF. Director Stanish replied that there is approximately \$1 mil plus and that we are paying the actuarial required payment.

Commissioner Lenert inquired as to how the 3% Full Time salary merit increase was calculated. Executive Director Meyers explained that the increases are based on merit, recognizing accomplishment and work effort and only for full-time staff, 3% is the average increase within the merit program.

Commissioner Lewis suggested that the staff at the management/supervisory levels are not as motivated by money, it is not a significant issue. Commissioner Wegman asked when or if an employee survey had been conducted. Director Smith stated that an Employee Engagement Survey was conducted two years ago. One of the biggest concerns of staff in general, was salaries. Other discussion continued regarding a variety of merit options.

Commissioners Wegman and Ishmael requested a two year historical report on how many persons earned the various merit levels. Commission Martin stated that we need to maintain an employer perspective of the fact that each job has a value. Commissioner Ishmael said that he understood the system and consistently getting a raise is nice, but since the program may be starting soon, we may have to review for the next budget year. Chairman Davoust stated that the review of the structure is always a good exercise. The current approach has a blend of recognition and range. Further discussion at a later date was suggested.

Commissioner Dahl referred to the \$569K that was earmarked for the City of Aurora and asked for clarity. Director Stanish stated that the monies have been budgeted based on the City of Aurora's construction draw schedule.

RESULT:	MOVED FORWARD BY VOICE VOTE [UNANIMOUS]
TO:	FOREST PRESERVE EXECUTIVE COMMITTEE 5/5/2017 8:30 AM
MOVER:	Penny Wegman, Commissioner
SECONDER:	Don Ishmael, Commissioner
AYES:	Theresa Barreiro, Brian Dahl, Mark Davoust, Don Ishmael, Michael Kenyon, Bill Lenert, Philip Lewis, John Martin, Penny Wegman
ABSENT:	Rebecca Gillam, John Hoscheit

VI. Executive Session to Discuss Land Acquisition, Contracts, Litigation and Personnel None.

VII. Communications

Free wood chips will be available for pick-up at two locations on Saturday, April 29 and Sunday, April 30, from 8 a.m. - 5 p.m. at Burnidge Forest Preserve in Elgin and also at Big Rock Forest Preserve in Big Rock.

Forest Preserve District staff will be on hand to help load with a tractor at both sites from 8 a.m. - noon. Afterward, the public may on their own through 5 p.m. Non-District machinery to load/unload is not permitted. Residents should bring their own shovels and containers. The public is welcome to take as many wood chips as they can haul away.

The chips are from hardwood trees removed throughout Kane County because of storm damage or clearing efforts. None of the wood chips are from ash trees.

- Burnidge Forest Preserve is located at 14N035 Coombs Rd., Elgin.
- Big Rock Forest Preserve is located 46W072 Jericho Rd., Big Rock.
Signs within both preserves will direct people to the pile location.

VIII. Chairman's Comments

Chairman Davoust said that the recently established Forest Preserve Foundation is in the board-development phase of the project. He asked for assistance from the Commission in recruiting potential board members. He also stated that a letter and application would be forthcoming.

Commissioner Lewis asked what the schedule was for the bond issue (\$50M) that just passed. Executive Meyers stated that the Commission Committee Chairs would be meeting after the Executive Committee on Friday, May 5 to discuss in further detail, what actions to take. Director Stanish explained that 85% should be settled/spent within the first three years, although we have five years to issue the bonds. He stated that these were policy decisions to be made by the Commission.

President Kenyon reminded those attending that the Earth Day Benefit Dinner, hosted by The Conservation Foundation, will be held tomorrow, Thursday, April 27 from 5-9pm at the Bobak's Signature Events in Woodridge.

He also mentioned that Commissioners Frasz and Wojnicki attended the Garfield Farm Museum's dinner and received, on behalf of the District, the Cooperator of Campton's Conservation Award. In recognition and appreciation of the District's acquisition of the Mill Creek Greenway Addition (Brundige Road and Rt. 38).

Director Stanish mentioned that the District has earned for the 5th consecutive time, the Government Finance Officer Association's Certificate of Achievement for Excellence in Financial Reporting. He acknowledged the work and effort his team has contributed and added his thanks.

IX. Adjournment

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

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

Tuesday, May 23, 2017 at 2:00 p.m.
Forest Preserve District Administration Offices
1996 S. Kirk Road, Suite 320 Geneva, Illinois

Respectfully Submitted,
Ellen J. Maglio
Recording Secretary