



## FOREST PRESERVE DISTRICT OF KANE COUNTY

### FINANCE AND ADMINISTRATION COMMITTEE MINUTES

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#### I. Call to Order

The Finance and Administration Committee meeting was held Tuesday August 30, 2016 at 2:00 PM at the District's Administration Offices located at 1996 S. Kirk Road, Suite 320, Geneva, IL 60134. The meeting was opened by Chairman Mark Davoust at 2:05 PM.

#### Members Present:

Attendee Name	Title	Status	Arrived
Mark Davoust	Chairman	Present	
Michael Kenyon	President	Present	
Rebecca Gillam	Commissioner	Present	
Joseph Haimann	Commissioner	Present	
John Hoscheit	Commissioner	Present	
Philip Lewis	Commissioner	Absent	
John Martin	Commissioner	Present	
Brian Pollock	Commissioner	Late	2:10 pm

#### Others Present:

Monica Meyers, Executive Director, Ken J. Stanish, Director of Finance, Ben Haberthur, Director of Natural Resources, Jerry Culp, Laurie Metanchuk, Director of Community Affairs, John Goreth, Director of Operations, Tracey Smith, Director of Human Resources, Mike Gilloffo, Police Chief, Jerry Hodge, Attorney, Patricia Hestekin, Recording Secretary

#### II. Public Comment (Each speaker is limited to three 3 minutes) *None.*

#### III. Presentation and Approval of the Minutes from July 26, 2016

<b>RESULT:</b>	<b>APPROVED WITH VOICE VOTE [UNANIMOUS]</b>
<b>MOVER:</b>	John Martin, Commissioner
<b>SECONDER:</b>	Joseph Haimann, Commissioner
<b>AYES:</b>	Mark Davoust, Michael Kenyon, Rebecca Gillam, Joseph Haimann, John Hoscheit, John Martin, Brian Pollock
<b>ABSENT:</b>	Philip Lewis

#### IV. New and Unfinished Business

##### A. Presentation on the Bond Sale Results

Director Stanish presented the results for the \$65,860,000 General Obligation Refunding Bonds, Series 2016C. There were 12 bidders who submitted 88 bids. The bid from Bank of America Merrill Lynch, New York, New York with an interest rate of 1.5777% should be accepted. In order to accomplish the refunding, the par amount of the Bonds was adjusted to \$56,810,00. The proceeds of the bonds will be used to advance refund a portion of the District's outstanding General Obligation Bonds, Series 2007, and to pay the cost of the issuance of the bonds. The savings will be reflected on the Kane County tax bills. A home valued at \$250,000 should see an

approximate savings of \$100. There will be a full presentation at the Full Commission Meeting on September 13, 2016.

**RESULT:**           **PLACED ON FILE BY VOICE VOTE [UNANIMOUS]**  
**AYES:**             Mark Davoust, Michael Kenyon, Rebecca Gillam, Joseph Haimann, John Hoscheit, John Martin, Brian Pollock  
**ABSENT:**          Philip Lewis

**B. Presentation on District Money Managers Sawyer Falduto Asset Management Report**

Director Stanish presented the District's Money Managers Sawyer Falduto Asset Management Report to the Committee. Last year the District invested \$1 million dollars and to date the investment has gained \$23,649 and the District's total account return (net) is 1.78%.

**RESULT:**           **PLACED ON FILE BY VOICE VOTE [UNANIMOUS]**  
**AYES:**             Mark Davoust, Michael Kenyon, Rebecca Gillam, Joseph Haimann, John Hoscheit, John Martin, Brian Pollock  
**ABSENT:**          Philip Lewis

**C. Presentation of the Cougars Report**

The current contract requires the Cougars to pay \$50,000 in the first quarter, \$250,000 in the second and third quarters and \$150,000 in the fourth quarter, as well as, revenue sharing when gross revenues are between \$8.25 million and \$13.25 million. The percentage the District would receive is 12%. Below is the chart that shows the second quarter results and compares them to last year's figures.

	<b>Cougars</b>		
	<b>Current Year</b>	<b>Prior Year</b>	<b>Difference</b>
Tickets	\$ 1,177,970	\$ 1,062,323	\$ 115,647
Advertising & Naming Rights	\$ 969,134	\$ 789,929	\$ 179,205
Concession Sales (Gross)	\$ 1,273,567	\$ 1,178,476	\$ 95,091
Parking	\$ 165,118	\$ 148,732	\$ 16,386
Souvenir Sales	\$ 140,446	\$ 120,578	\$ 19,868
Other	\$ 118,098	\$ 104,849	\$ 13,249
<b>Totals</b>	<b>\$ 3,844,333</b>	<b>\$ 3,404,887</b>	<b>\$ 439,446</b>

The current year is approximately 12.91% ahead as compared to the same timeframe as last year, with every category beating last year's figures. The District is still receiving the quarterly payments from the Cougars consistent with the contract and will need to see how the final two quarters of the year turn out to determine if an additional payment will occur. Executive Director Meyers presented the Committee with the Cougars "Pitch Book", that is sent to perspective sponsors and business partners for 2016.

**RESULT:**           **PLACED ON FILE BY VOICE VOTE**

**D. Presentation and Approval of the Fourth Amendment to the License Agreement with GolfVisions for the Management of Settler's Hill and Deer Valley Golf Courses**

GolfVisions has managed the Settler's Hill and Deer Valley golf courses since 2002. The current license agreement expires March 31, 2017. The proposed amendment provides for a 3.5-year extension on the term to establish an end of season termination in December versus a March expiration which falls within the golf season. The expiration date of December 31, 2020 matches the expiration date of the Meyer Family Golf amendment for the management of the Hughes Creek golf course. Additionally, in response to the slower golf market, the license fee is adjusted to \$160,000 annually versus \$190,000.

GolfVisions will pay the District a base fee of \$160,000 for the calendar year season paid in four equal payments of \$40,000 quarterly, plus 14.5% of all gross revenues from any source at Settler's Hill golf course in excess of \$1,103,448 annually plus 5% of all gross revenues from any source at Deer Valley golf course.

**DISCUSSION:** *Commissioners asked if this included the intended driving range. Executive Director Meyers, replied no. That will be a separate issue, and will require another amendment to the agreement at the time it is constructed and ready for use.*

<b>RESULT:</b>	<b>MOVED FORWARD BY ROLL CALL VOTE [UNANIMOUS]</b>
<b>TO:</b>	<b>FOREST PRESERVE EXECUTIVE COMMITTEE 9/2/2016 8:30 AM</b>
<b>MOVER:</b>	Joseph Haimann, Commissioner
<b>SECONDER:</b>	Brian Pollock, Commissioner
<b>AYES:</b>	Mark Davoust, Michael Kenyon, Rebecca Gillam, Joseph Haimann, John Hoscheit, John Martin, Brian Pollock
<b>ABSENT:</b>	Philip Lewis

**E. Presentation and Approval of Third Amendment to the License Agreement with Meyer Family Golf for the Management of Hughes Creek Golf Course**

Meyers Family Golf has managed Hughes Creek Golf Course Since 2002. The current License Agreement expires March 31, 2017. The District and Meyer Family Golf have established Hughes Creek Golf Course as a destination course, not only in Kane County, but throughout the region. The proposed amendment provides for a 3.5-year extension on the term to establish an end of season termination in December versus a March expiration which falls within the golf season. The expiration date of December 31, 2020 matches the expiration date of the GolfVisions Amendment for the management of Settler's Hill and Deer Valley Golf Courses. Additionally, in response to the slower golf market, the license fee is adjusted to \$160,000 annually versus \$190,000.

Meyer Family Golf will pay the District a base fee of \$160,000 for the calendar year season paid in four equal payments of \$40,000 quarterly, plus 14.5% of all gross revenues from any source at Hughes Creek Golf Course in excess of \$1,103,448 annually.

<b>RESULT:</b>	<b>MOVED FORWARD BY VOICE VOTE [UNANIMOUS]</b>
<b>TO:</b>	<b>FOREST PRESERVE EXECUTIVE COMMITTEE 9/2/2016 8:30 AM</b>
<b>MOVER:</b>	John Hoscheit, Commissioner
<b>SECONDER:</b>	Joseph Haimann, Commissioner
<b>AYES:</b>	Mark Davoust, Michael Kenyon, Rebecca Gillam, Joseph Haimann, John Hoscheit, John Martin, Brian Pollock
<b>ABSENT:</b>	Philip Lewis

**F. Presentation and Approval of Raising the Bid Limits to \$25,000**

Recently, the Governor signed HB 4536/Public Act 99-0771 into law that allows forest preserve districts the ability to raise the bid limit on state-mandated competitive bidding requirements to \$25,000. Currently, the District’s bid limit is \$15,000.

The following benefits would be achieved:

- Time savings - a formal bid is available for a minimum of three weeks before being opened. Once the low bidder is identified, a memo is created and the formal approval process would begin by going from the Planning Committee to the Executive Committee to the Commission. This can take from 2 - 6 weeks.
- Cost savings - Creating formal bid packets that are then distributed to potential bidders, as well as staff time for pre-bid meetings, responding to questions and bid openings.
- Quicker completion - Staff would be able to have the services performed or goods received in a much quicker timeframe by not having to conduct a formal bid process.

The District’s Purchasing Manual requires three quotes for any good/service in excess of \$2,500 which would apply to purchases between \$15,000 and \$24,999. An analysis was performed of the bids done during the past two fiscal years (see attached). Of the 38 bids, 14 fell between \$13,100 and \$24,999 and totaled \$233,625 or 11% of the total dollar amount of bids. Bids in excess of \$25,000 accounted for \$1,836,692 or 89% of the total dollar amount. This shows that the Commission would still approve the bids that impact the budget the most.

**DISCUSSION:** *Commissioners asked how are bids or quotes advertised? Is there a public announcement? Director Stanish responded stating bids are placed on the District's web site and bids are then sent to contractors, suppliers that have worked or bid on previous projects/bids. Three (3) quotes will still be needed for anything under \$25,000.*

<b>RESULT:</b>	<b>MOVED FORWARD BY VOICE VOTE [UNANIMOUS]</b>
<b>TO:</b>	<b>FOREST PRESERVE EXECUTIVE COMMITTEE 9/2/2016 8:30 AM</b>
<b>MOVER:</b>	Joseph Haimann, Commissioner
<b>SECONDER:</b>	Rebecca Gillam, Commissioner
<b>AYES:</b>	Mark Davoust, Michael Kenyon, Rebecca Gillam, Joseph Haimann, John Hoscheit, John Martin, Brian Pollock
<b>ABSENT:</b>	Philip Lewis

**V. New and Unfinished Business**

**A. Resolution providing for the transfer of investment earnings in the Bond Fund of the Forest Preserve District of Kane County, Kane County, Illinois, to the Land Acquisition Fund of said Forest Preserve District**

Director Stanish presented the Committee with a resolution for the transfer of \$2.3 million from the earnings in the Bond Fund to the Land Acquisition Fund for the acquisition of the Brundige Road property to be used for the Natural Resources facility. Director Stanish has been working with Bond Counsel as the District can only transfer the earnings, not the principal from this account. This will be presented to the next meeting of the Executive Committee and the Full Commission for approval.

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

**VII. Communications**

National Public Lands Day will be held, Saturday, September 24 from 10:00 am - 1 pm at the Burnidge Forest Preserve on Coombs Road, Elgin. Activities include tree planting, seed collection, brush clearing and activities for children.

Commissioner Haimann, commented, that a resident had locked their keys in the trunk of their car at the Brunner Family Forest Preserve and the resident stated that the District Staff was very nice and helpful.

**VIII. Chairman's Comments**

Chairman Davoust stated that Commissioners should go out and tell their constituent's about the bond refunding and saving of the tax payers monies, that will be reflected on their tax bills,

**IX. Adjournment**

<b>RESULT:</b>	<b>APPROVED WITH VOICE VOTE [UNANIMOUS]</b>
<b>MOVER:</b>	Joseph Haimann, Commissioner
<b>SECONDER:</b>	Rebecca Gillam, Commissioner
<b>AYES:</b>	Mark Davoust, Michael Kenyon, Rebecca Gillam, Joseph Haimann, John Hoscheit, John Martin, Brian Pollock
<b>ABSENT:</b>	Philip Lewis

**Adjournment Until:            Tuesday, September 27, 2016 at 2:00 pm**  
**Forest Preserve District Offices Board Room**  
**1996 S. Kirk Road, Suite 320, Geneva, Illinois**

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

Respectfully Submitted,

***Patricia Hestekin***

Patricia Hestekin  
Recording Secretary