

**KENDALL COUNTY FOREST PRESERVE DISTRICT  
FINANCE COMMITTEE MEETING MINUTES**

**OCTOBER 12, 2016**

**I. Call to Order**

Finance Committee Chairman Cullick called the meeting to order at 4:30 pm in the Kendall County Board Room.

**II. Roll Call**

Commissioners Davidson, Koukol, Wehrli, and Cullick all were present.

**III. Approval of Agenda**

Commissioner Koukol made a motion to approve the agenda as presented. Seconded by Commissioner Wehrli. Aye, all. Opposed, none.

**IV. Citizens to be Heard**

No public comments were offered by those in attendance.

**V. Approval to Forward Claims in an Amount Not-to-Exceed \$14,877.37.**

Commissioner Wehrli made a motion to forward claims to Commission in an amount not-to-exceed \$14,877.37. Seconded by Commissioner Koukol.

The Finance Committee reviewed the claims list.

Director Guritz reported that copies of the credit card statements and claim vouchers are available for review.

The Finance Committee reviewed claim numbers 203 to 211 for the Hoover Nature Play Space project. Director Guritz reported that sufficient funds are available from the Forest Foundation restricted fund, and additional contributions from Natural Beginnings parents totaling \$1,047 to cover project costs. Purchases have been coded to the Preserve Improvements – Grants expenditure GL code, offset by revenues that will be coded to the Preserve Improvements – Grants revenue GL code.

Commissioner Koukol complimented the project effort and results, and asked that the project be highlighted at the upcoming Commission meeting.

Commissioner Wehrli inquired into the claim from Amalgamated Bank coded to capital. Director Guritz stated that this is a fee incurred for management of the District's escrow account related to the District's bonded debt service payments.

Commissioner Cullick called the question. All, aye. Opposed, none.

## **VI. Review of Financial Statements as of September 30, 2016**

Budget Coordinator Latreese Caldwell presented a cost center breakdown of the September 30, 2016 Financial Statements. Revenues for the period just over \$1M, with expenditures for the period totaling \$750,000 leaving a surplus for the fiscal year of \$252,000.

For the Administration cost center, the District is 20% over revenues and 16% under budgeted expenditures through the end of September.

For the Ellis House and Equestrian Center cost center, revenues are exceeding budget projections by 18%, with the Equestrian Center up \$1,200 for lessons, and the Weddings cost center up \$9,800, with expenditures over projections by 8%, particularly under utilities. Director Guritz reminded Commission about the costs incurred for replacing electric utility poles earlier in the year.

For the Hoover Forest Preserve cost center, revenues are exceeding budget projections by 11%, with revenues for Meadowhawk Lodge rentals exceeding budget projections by \$5,000 and Campsites by \$1,400, with total expenditures below projections by 22%. Of this amount, personnel costs including benefits are below projections by 50%.

For the Environmental Education cost center, revenues are trailing projections by 8%, with school programs at 50% of projections. Camps brought in 60% of projected revenues. Expenditures are below projections by 9%, and includes Natural Beginnings revenues and expenses. Director Guritz pointed out that Natural Beginnings revenues include approximately \$10,000 for full tuition pre-payments for the year.

For the Grounds and Resources cost center, revenues are exceeding budget projections by 30%, and includes \$940 for preserve improvement grants, with expenditures in line with budget projections for the year.

Commissioner Davidson inquired into the insurance premium costs. Latreese Caldwell reported that those costs are assigned to the Administrative cost center, and will be discussed later on the agenda.

## **VII. Review of FY 16-17 Operating and Capital Fund Budgets**

Director Guritz presented the FY 16-17 operating budget. The budget is positive, with an increased surplus projection from \$6,700 to just over \$11,000 for the upcoming year.

For the Administration cost center, a surplus of \$155,000 is projected that will cover operating deficits within the remaining cost centers. Grounds and Resources is budget neutral, with all costs offset by revenue sources including extension of tax levy proceeds.

For the Ellis House and Equestrian Center cost center, program budgets exceed costs generating a collective surplus \$18,000 partially offsetting the projected operational deficit of \$66,000.

For the Hoover Forest Preserve cost center, the projected operational deficit is \$80,000, with a program deficit of \$30,000.

For the Environmental Education cost center, the overall projected surplus for the year is \$13,000, with Natural Beginnings generating income over expenditures for the year. The District is seeing an increase in the number of Scout program reservations, but has also seen a reduction in the number of school programs compared to budget, including a decrease in the number of Native American program reservations for this fall. Within the upcoming budget, revenues for school programs are adjusted down, with corresponding expenditures decreased.

Within the budget, the District is down a full-time headcount, with an increase to the Federal FLSA minimum salary threshold scheduled for the Hoover Resident and Supervisor position, partially offset by a house rent payment of \$250 per month, or \$3,000 for the year. The budget also includes \$15,000 for a part time Natural Resources Technician to assist with restoration projects within District preserve natural areas.

The District is experiencing high frequency of staff turnover of part-time staff that will likely continue into the future. This is requiring more significant extension of time for training by the District's Superintendent to address staff shortages, and new hire training.

The District will continue to experience challenges with maintaining high quality preserve areas.

Within the budget, the overall raise schedule included is 3.5%. Projected increases in insurance cost is included. The District anticipates a jump in total revenues, with corresponding staffing increases over last year's budget.

In order to exceed revenue projections next year, the District will need to do a better job with marketing of program opportunities operating below program capacity.

Review of the budget is scheduled for discussion on the upcoming Committee of the Whole meeting agenda.

The FY 16-17 budget includes a restructure of the Ellis Equestrian Center to include the reclassification of the Ellis Equestrian Center Manager position to a Coordinator position, including the hiring of a second Equestrian Program Coordinator. With the Farm Manager position now in place, the Equestrian Center Manager position description will be retitled, with a second coordinator hired to compliment the strengths of the current coordinator, and assist with equestrian center operations.

The Finance Committee discussed the proposed restructure.

Director Guritz stated that sufficient resources are scheduled in the budget to cover program changes. This includes additional staff funding under the Sunrise Center cost center. This approach is working well for the Environmental Education program, and helps insure sufficient staffing coverage when staff turnover occurs. Both coordinators will be scheduled at \$1,000 hours for the year at approximately \$14 per hour. Initially, the District's seasonal will be promoted to a part time Horsemanship Instructor position at \$12 per hour.

Commissioner Davidson inquired into the number of hours scheduled for part time equestrian program support in the upcoming year compared to the current fiscal year. Director Guritz stated that generally, the total number of hours supporting the program remains unchanged with the exception of additional hours and part time salary projections for support of the Sunrise Center North license agreement.

Commissioner Davidson expressed concerns with interactions between the two staff members carrying the same title and role. Director Guritz stated that this is working well in the Environmental Education department. At Ellis, the two positions will not significantly overlap over the course of the work week. Additional program coordination is needed, and this will help to address coordination and communication gaps the District has seen over the past year.

The Finance Committee reviewed the proposed FY 16-17 capital budget.

Director Guritz pointed out that within current funding limitations, sufficient resources are in place to address the potential closing of the Maramech Forest Preserve expansion land acquisition project, and Millbrook Bridge. The District anticipates eventual reimbursement of LWCF funding for the acquisition of Fox River Bluffs, but until this time, remaining projects scheduled will be necessarily delayed.

Director Guritz presented the revenues and expenses scheduled in the capital fund budget.

Revenue sources include two LWCF-OSLAD grant reimbursements, land acquisition matching funds from The Conservation Foundation, FEMA funds reimbursement for storm damage of Ellis House, a \$15,000 grant for restoration from the National Fish and Wildlife Foundation to support creation of monarch butterfly habitat, a \$5,000 matching grant from the US Fish and Wildlife Service to support natural area improvements, IDOT land sale proceeds for sale of less than 1 acre of land along Route 30, and proceeds for trail improvements held within an escrow account for incomplete trail work in Blackberry Creek Forest Preserve. The budget also includes projected revenues and related expenses for second phase improvements of the Hoover Nature Play Space project. The capital budget anticipates that FEMA reimbursement proceeds will partially offset roof replacement, painting and sealing of the Ellis House.

Ellis Farm Manager Marty Vick entered the meeting. Director Guritz introduced Mr. Vick to the Finance Committee.

Director Guritz reported that cropland conversion of 45 acres at Henneberry Forest Preserve is scheduled to take place at the end of the fiscal year, subject to receipt of reimbursement of the \$750,000 Fox River Bluffs acquisition grant.

## **VIII. Insurance Premium and Workers' Compensation Claims Payments Discussion**

The Finance Committee reviewed the costs for the District's insurance premium and Workers' Compensation claim payments owed to Kendall County for the year.

Director Guritz stated that the insurance premium transfer of \$40,979 will be scheduled for approval on the upcoming Commission meeting agenda.

The District currently owes just over \$64,000 to Kendall County for Workers' Compensation claim payments made on behalf of the District for the year.

While the District is currently carrying a \$250,000 surplus for the year, this figure will go down in the two months remaining, and it is unclear at this point whether the final surplus for the year will be sufficient to cover the full cost of reimbursement of claims. Director Guritz stated that approximately \$40,000 of funding included within the financial statements represents crop rent and yield payments from the prior year, and has been accounted to the FY 14-15 fiscal year within the District's audit.

Director Guritz stated that the full amount should be reimbursed in the current fiscal year if there is a sufficient surplus to cover the full cost in order to retain or improve the District's bond rating, and corresponding interest rates for the upcoming refunding, for the upcoming fiscal year. This decision will need to be determined at the November 15 Commission meeting.

The Finance Committee discussed the end-of-year projections, with consensus to hold off on determining the amount of Workers' Compensation claim repayment to Kendall County until November after the October 31 financial statements are reviewed.

## **IX. Executive Session**

None.

## **X. Citizens to be Heard**

No public comments were offered by those in attendance.

## **XI. Other Items of Business**

Director Guritz reported that the District is discussing purchase of 9 canoes, life vests, trailer, and paddles for District programs for \$3,000. Freeman Sports is closing, and surplus equipment that the District has historically rented from Freeman Sports is being offered at a

significant discount. Kendall County ROE has offered to purchase the canoes so long as they can be stored at Hoover Forest Preserve for both programs to access and use.

Director Guritz stated that the District's trash service contract will be sent out for quotes in November.

Director Guritz reported that \$2,000 of native savannah seed mix will be purchased for dispersal at Fox River Bluffs that will be reimbursed by the Illinois Clean Energy Community Foundation with the remaining funding in order to close out the grant.

Director Guritz stated that the District has received a request from ComEd to access their easement through Harris Forest Preserve. The Finance Committee provided direction to contact the new ComEd Government Relations manager for Kendall County to discuss development of an access agreement.

## **XII. Citizens to Be Heard**

None.

## **XIII. Adjournment**

Commissioner Koukol made a motion to adjourn. Seconded by Commissioner Wehrli. All, aye. Meeting adjourned at 5:32 pm.

Respectfully submitted,

David Guritz  
Executive Director, Kendall County Forest Preserve District