

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

NOVEMBER 9, 2016

I. Call to Order

Finance Committee Chairman Cullick called the meeting to order at 4:35 pm in the Kendall County Board Room. Chairman Cullick appointed Commissioner Prochaska to committee service for the meeting.

II. Roll Call

Commissioners 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 \$14,955.63.

Commissioner Wehrli made a motion to forward claims to Commission in an amount not-to-exceed \$14,955.63. Seconded by Commissioner Koukol.

Director Guritz reported that the claims amount on the agenda as posted is higher than the total amount of the claims listing total of \$14,877.37. The Finance Committee reviewed the claims list.

Commissioner Wehrli requested a review of claim #195. Director Guritz stated he would forward a breakdown of the purchases made on his procurement card.

The Finance Committee reviewed claim numbers 203 through 210. Director Guritz stated that all purchases indicated were for the Hoover Nature Play Space improvements, and would be reimbursed by the Forest Foundation.

Commissioner Davidson entered the meeting at 4:40 pm.

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

VI. FY 16-17 Budget – Discussion of District Staff Salary Recommendations

Director Guritz presented a spreadsheet of recommended salary increases and cost projections for District staff for review and discussion.

Director Guritz stated that this is the first public review of the proposed salary schedule for the upcoming year.

Chairman Cullick asked whether there were any changes to the schedule presented in closed session to Commission. Director Guritz stated that there were no changes made to the proposed schedule.

Commissioner Wehrli stated that increases will need to be considered for Director Guritz, and Latreese Caldwell's stipend for her support as the District's Budget Coordinator.

Latreese Caldwell entered the meeting.

Director Guritz presented an overview of the raise schedule. The Natural Beginnings staff salary increases presented are based on the program budget presented earlier in the year, and previous discussions for increasing lead instructor and aide salaries.

Commissioner Davidson inquired into the total amount of appropriated salaries from FY 15-16 to FY 16-17. Latreese Caldwell reported that projected salaries increase from \$515,473 in FY 15-16 to \$583,579 in FY 16-17.

Commissioner Davidson asked what the projected surplus and fund balance will be at year's end. Director Guritz stated that after repayment of the workers' compensation claims owed to Kendall County, the District will have a \$32,000 to \$33,000 surplus for the year that will increase the fund balance from \$245,789 to \$278,526. The projected surplus for the FY 16-17 operating budget is just over \$10,769.

The Finance Committee reviewed the projected surplus for the year on page 38 of the meeting packets.

Commissioner Koukol stated that the District's budget and financial standing compared to three years prior is night and day, recommending a 3% increase plus \$1,200 for the District's Director's salary. The Finance Committee discussed recommended increases for Director Guritz and Latreese Caldwell.

Chairman Cullick stated that in previous discussions held, turn around the District's financial situation would merit consideration of a salary adjustment to the District's director.

Commissioner Koukol stated that the District's director has been putting in the time needed to support the projects and administrative responsibilities of the position, and an adjustment to the salary is warranted and recommended to insure that his services are retained.

Commissioner Wehrli stated that the proposed increases are well-deserved.

The recommendation from the Finance Committee is to increase the Director's salary from \$76,500 to \$80,000, and to increase the Budget Coordinator's stipend from \$400 per month to \$485 per month for FY 16-17.

VII. Review of Proposed Hoover Residence Lease Agreement Terms and Conditions

Director Guritz presented a draft lease agreement for the Hoover Residence. The revised agreement calls for a monthly rent payment of \$250.

The Finance Committee discussed the value of the use of the residence presented in the agreement compared to the monthly rent payment assigned. Director Guritz stated that it is important to recognize that the Hoover Resident is basically on call to address building issues and the public 24/7. As an FLSA exempt employee, Jay Teckenbrock will be entitled to a base salary at the federal minimum threshold, and this significant increase warrants the assignment of a monthly rent payment to offset a portion of this increase, understanding that the use of the residence carries additional responsibilities as the onsite manager.

The Finance Committee provided direction to ascertain whether there are tax implications for the balance of the market benefit for use of the residence. Director Guritz stated that he and Latreese Caldwell would research and address this question.

VIII. Review of Draft Levy, Budget, and Appropriation Ordinances for FY 16-17

Director Guritz presented the draft levy ordinance, and combined budget ordinance for FY 16-17 for review.

For the operating fund levy, \$555,600 is shown for the total amount. This is slightly more than the amount anticipated in the budget in order to insure that the District is able to secure additional collections received.

Director Guritz reported that the District's limiting rate is decreasing, reducing the amount of collections per \$100,000 market value by around \$0.90 per household.

Director Guritz stated that the only change from previous budget information presented is the appropriation of funds remaining in Fund 290 for Capital Projects. The balance has been appropriated in the ordinance for the upcoming year so that Commission has access to these funds if needed. There are no current plans for expending these funds, but the funds cannot be accessed unless they are scheduled for expenditure in the upcoming year.

The Finance Committee reviewed the draft ordinances, with no recommended changes.

Latreese Caldwell inquired into when the District would be approving its budgets for the upcoming year. Director Guritz stated that the budget is anticipated for approval on November 15, 2016. Latreese Caldwell stated that she will be working to update end-of-year projections for approval on November 15, 2016.

Latreese Caldwell stated that all District budgets will be provided to Commissioners in binders for the upcoming year.

IX. Review of District Trash Service Contract Terms, Expiration, and Call for Quotes

Director Guritz presented a draft call for quotes, and copies of current trash and recycling service agreements for review and discussion.

The District will need to provide a 60 day notice to current providers that the current service agreements will be terminated. Director Guritz stated that the revised quotes include reduced services over the winter months. These reduced services will be reviewed over the winter months by site staff members at Ellis, Hoover, and Harris Forest Preserves.

The Finance Committee requested that Latreese Caldwell look into the Kendall County facilities agreement pertaining to reduced cost or free recycling for County facilities.

X. Review of FY 15-16 Yield Calculations, Hay Inventory Buy-Back Balance Sheet, and Grain Dryer Utility Costs and Usage Fees at Millbrook South

Director Guritz presented an overview of the District's farm license agreement projections for 2015, including yield calculations (in-process), hay inventory buy-back projections (in-process), and grain dryer usage and utility costs (in-process). Figures were also presented showing the average grain prices for the year, and the terms and budget for farm license agreement for the upcoming fiscal year.

Director Guritz reported that yield calculation worksheets will be sent out to all farm operators to provide end-of-year yield reporting.

XI. Review of Terms and Projected Base Rent Revenues for FY 16-17 Farm Lease Agreements

The Finance Committee discussed the projected base rent revenues for the FY 16-17 farm license agreements. Director Guritz stated that the District could consider bidding for cropland areas at Millbrook North and South, and Baker Woods east in the upcoming year.

Director Guritz reported that farm license revenue will be reduced by over \$8,000 in FY 17-18 with the completion of cropland conversion of 45 acres at Henneberry Forest Preserve.

Commissioner Koukol cautioned the group against bidding, expressing concerns that depressed grain market prices could impact bids and reduce base rent revenues for these parcels.

The Finance Committee provided direction to renew the farm license agreement for the upcoming year under the terms presented.

XII. Review and Discussion of FY 16-17 End-of-Year Projections and Workers' Compensation Claim Amounts Owed

The Finance Committee reviewed the end-of-year projections for the District's FY 15-16 operating budget. The projected surplus for the operating year is just over \$32,000, which will increase the District's fund balance.

The Finance Committee recommended placing an agenda item on the upcoming Commission budget to approve the reimbursement of Kendall County for the full amount owed for FY 15-16 workers' compensation claims incurred.

XIII. Eldamain Road Widening Project – Tree Mitigation Requirements and Projected Costs

The Finance Committee discussed the cropland conversion and restoration plan for 45 acres at Henneberry Forest Preserve.

Director Guritz stated that the Highway Department is working to confirm that Henneberry Forest Preserve may be used as the mitigation site. Based on the number of trees and shrubs that will be planted, the District will see reduced costs for plant materials of approximately \$9,200, plus the costs for installation. The District has also received a grant in the amount of \$15,000 to restore pollinator habitat, which will reduce the District's out-of-pocket expense for seed from \$54,000 to approximately \$40,000 for the cropland conversion project. Additional costs will be incurred for management of the restoration site for the first three years.

XIV. Executive Session

None.

XV. Citizens to be Heard

No public comments were offered by those in attendance.

XVI. Other Items of Business

None.

XVII. Citizens to Be Heard

None.

XVIII. Adjournment

Commissioner Prochaska made a motion to adjourn. Seconded by Commissioner Gryder. All, aye. Meeting adjourned at 5:37 pm.

Respectfully submitted,

David Guritz
Executive Director, Kendall County Forest Preserve District