I. Call to Order

Commissioner Prochaska presided over the meeting as Acting Chair, and called the meeting to order at 6:45 p.m. in the Kendall County Board Room.

II. Roll Call

Commissioners Davidson, Gryder, Koukol, and Prochaska all were present.

III. Approval of Agenda

Commission Gryder made a motion to approve the agenda. Seconded by Commissioner Davidson. Aye, all. Opposed, none.

IV. Citizens to be Heard

No public comments offered.

V. Review of Claims in an Amount not to Exceed $17,021.01

Commissioner Koukol made a motion to forward claims in the amount of $17,021.01 for Commission approval. Seconded by Commissioner Gryder.

The Finance Committee discussed claims in the amount of $7,500.00 from Wipfli, LLP for completion of the FY 2013-2014 audit. Discussion related to the cost for completion of the audit for the District. Latreese Caldwell stated that she would check into whether or not actual contract costs for the District were negotiated to a lower price. Director Guritz confirmed that the District did budget $7,500.00 for completion of the audit.

The Finance Committee discussed the claim in the amount of $1,085.00 for Upper Crust Catering. Director Guritz reported that this was the catering cost for the Murder Mystery fundraiser offset by ticket purchases. Sixty people attended the event with a ticket price of $40.00 per person.

Commissioner Koukol inquired into the $55.00 membership fee for DAVA (DuPage Association of Volunteer Administrators). Director Guritz stated that membership includes discounts on professional development training offered through DAVA, and staff member Jody Strohm regularly attends DAVA meetings and trainings.
The Finance Committee requested a breakdown of costs associated with the Murder Mystery event costs for review at the next Finance meeting.

The Finance Committee discussed the claim for the $1,000.00 security deposit refund for Megan Grandchamp. Commission inquired into whether this represented a full refund for cancellation of the event, or whether the District retained a portion of the deposit. Director Guritz stated that he would explore this question with Tina Villarreal.

The Finance Committee requested a review of the deposit return policy for the District for the next Finance Committee meeting.

Commissioner Koukol inquired into the claim in the amount of $192.91 for internet service at Harris. Director Guritz stated the total claim represents charges beyond just wireless internet service at Harris. Cost for the internet service alone is $75.00 per month. Director Guritz suggested that internet service could be provided at all District locations for a cost of $37.00 per month.

Commissioner Gryder inquired into the cost for the latrine lock replacement hardware costs of $496.84. Director Guritz stated that the purchase was for two door lock hardware assemblies, and this same cost was identified on a separate on-line pricing source.

Commissioner Koukol inquired into whether the Grundy County Chamber of Commerce claim in the amount of $200.00 for Family Fest 2015 is increasing business activity for Ellis.

Roll call: Commissioners Davidson, Gryder, Koukol, and Prochaska, aye. Opposed, none. Motion passed unanimously.

VI.  Budget Coding Project Update

Latreese Caldwell provided a progress review of the budget coding project, and distributed draft spreadsheets to provide an overview of proposed cost centers and budgets for Administration (000), Ellis (100, with cost centers 101 -107 representing program cost centers), Hoover (200, with cost centers 201 – 203 representing facility rental areas), Environmental Education (300, with cost centers 301 – 306 representing programming cost centers), with additional cost centers proposed by Director Guritz for cost center 400 for the Natural Areas Management program, and cost center 500 for Grounds and Natural Resources. Cost center 500 will represent costs for operating costs for the forest preserves separated from the costs of program. Latreese Caldwell demonstrated how the current FY 14-15 budget is then broken out among the cost centers and programs.

Director Guritz stated that this is a draft report. The next stage is to present the program budget distributions to supervisory and program management staff to confirm cost.
assignments under each of the program areas. This will provide an opportunity for staff to see the costs assigned to each of the programs in order to begin efforts to work the programmatic budgets within the current and future fiscal years.

Latreese Caldwell discussed the District’s tax levy, and presented the concept that portions of the levy may be assigned to the different cost centers based on the amount of tax support subsidization to be assigned or determined for each of the programs.

Commissioner Gryder inquired into the project budget for security deposits for weddings. Latreese Caldwell pointed out that there is a corresponding expense against this program representing a return of the deposits.

Latreese Caldwell provided details on the revenues and expenditures assigned to each of the cost centers within the draft spreadsheets. Once finalized, the new codes will be established in the accounting software, and journal entries created to assign costs incurred within the fiscal year under each of the cost centers.

Commissioner Koukol inquired into the assignment of revenues from farm lease agreements. Revenues are assigned to the Administration cost center in the draft report. Commissioner Koukol pointed out that the District may not achieve the revenues stated in the farm lease revenue budget, but expressed concerns about how the restoration of natural areas will be achieved within the operating budget. Director Guritz stated that ideally, the revenues generated would contribute to an operating fund surplus, and expended to support and offset the restoration costs. This issue will need to be addressed within the District’s three year financial plan.

The Finance Committee discussed what mechanisms might be employed to address this issue by assignment of farm lease revenues to specific preserve cost centers and/or conserved to offset costs for restoration. Director Guritz stated that the operating budget is currently being supported by all farm lease revenues, including anticipated receipts for cropland lease payments within the Fox River Bluffs footprint. Director Guritz questioned whether the District is actually able to establish a separate fund for farm lease revenues to retain funds generated year to year, but agreed that this issue need to be explored. Director Guritz added further that the amount of revenue generated by farm lease activities will not fully offset the costs for restoration. Director Guritz stated that he would inquire into the Treasurer’s Office to determine if a fund could be created to deposit and retain farm lease revenues for restoration projects.

Commissioner Davidson stated that the balance of anticipated restoration costs needs to be set aside from the remaining bond funds in order to account for the costs for restoration within the Fox River Bluffs and other required preserve areas.
Director Guritz stated that beyond the restoration projects, as areas are taken out of cropland production, decreasing farm lease revenues will impact future operating budgets.

Commissioner Davidson suggested that Director Guritz return to the Finance Committee outlining a plan for completing the restoration project commitments within the District’s grant agreements.

Director Guritz stated that careful examination of this issue, and bond fund resources available, is needed in order to fully address District commitments for natural area restoration projects.

Commissioner Davidson inquired into whether additional cropland areas outside of the Fox River Bluffs acquisition would need to be converted as part of District grant commitments.

Director Guritz reported that portions of areas currently under farm lease at Millbrook North and South and Henneberry Forest Preserves would need to be examined to determine the extent of additional acres slated for restoration.

This situation will need to be recognized and addressed in future fiscal year budgets.

Latreese Caldwell completed the presentation of the draft budget coding project, including salary and benefit assignments, stating that additional adjustments to the budget will be made to address Grounds and Natural Resources personnel reassignments to different areas of operation resulting from the retirement of one full time staff members.

The Finance Committee discussed presented program budget deficits. Latreese Caldwell stated that this information will assist staff with understanding the overall financial picture of the District, and how this relates to the program budgets.

Director Guritz thanked Latreese Caldwell for pulling this report together. The Finance Committee requested Director Guritz to prepare a three year projection for farm lease revenues and costs associated for restoration under the District’s grant agreements.

VII. Executive Session

None.

VIII. Citizens to be Heard

Ron Smrz thanked Commission for this project, and expressed concerns about the cost of District programs, stating that this issue needs to be addressed.
IX. Other Items of Business

Director Guritz reported that bond underwriting services for the bond refund project will require competitive bidding. Efforts are underway for develop documents to secure competitive quotes for underwriting services.

The Finance Committee discussed the minimum savings threshold and professional service costs for the bond refunding project. Commissioner Davidson expressed concerns over the assignment of bond rating review costs to the District if the minimum savings threshold is set too high to allow Speer Financial Inc. to close on the sale of the bonds.

X. Adjournment

Commissioner Koukol made a motion to adjourn. Seconded by Commissioner Gryder. Commissioners Koukol, Gryder, and Prochaska, aye. Commissioner Davidson, opposed. Meeting adjourned at 7:56 p.m.

Respectfully submitted,

David Guritz
Director, Kendall County Forest Preserve District