

Cary Park District  
Board of Commissioners  
**Administration, Finance & Personnel Committee Meeting**  
March 9, 2017  
6:30 PM  
Community Center  
255 Briargate Road  
Cary, IL 60013

**Minutes**

Committee Members Present: Frangiamore and Stanko

Committee Members Absent: Renner

Commissioners Present: B. Krueger and Hauck

Guest Present: None

Staff Present: Jones, Raica, Kelly, Rogus, V. Krueger, Nesler, Hughes, and Lee.

Chair Stanko called the meeting to order at 6:30 PM.

The Pledge of Allegiance to the Flag was recited.

There were no matters from the public.

The minutes from the February 9, 2017 Administration, Finance, and Personnel Committee meeting were presented for approval.

***Frangiamore moved to approve the minutes; second by Stanko.***

Voice vote: 2-0. All voting yes. Motion carried.

Stanko asked if Hauck was going to be given Committee assignments. B. Krueger said that she would get assigned to Committees in May.

Jones explained they received nine responses to the RFQ for Kaper and Lions Park. There were some good responses, and whoever gets assigned the project will do a good job.

Jones next explained that the Policy manual has been reviewed by staff and Board members during the last couple of AFP meetings. Staff and the Board have been going through the policies one at a time. He explained that any revisions needed for Policy sections 2 and 3 were brought back tonight. Staff went through sections 5, 6, 7, and 8 and provided updates they felt were needed. Many of the updates made were minor such as grammatical errors. All Policies were reviewed in sections 5-8 and only those Policies needing changes are presented this evening.

Jones explained the following policy revisions to the committee.

2-005: The procedure is not attached to the policy, so item 2 was removed.

2-010: This item was sent to the attorney and item 4 was suggested to be removed and in item 2 “socially acceptable” was removed and replaced with “pleasing.”

3-002: The phrase “drop-in and unorganized” was added to define when field usage would not be charged. Racquet Court was removed from facilities that could require a fee. Colleague Youth Sport Organizations was updated with terminology to reflect current Policies 6-020 and 6-021. Youth sport group names were updated to reflect current names, as needed.

3-016: “GOB-Limited Tax bond” was replaced by “Limited Tax Refunding Park Bonds throughout the policy.”

3-018: Added “assigned delegate” to item 1.

3-100a: “Advance Refunding Bond & Interest Fund 2005A” was replaced by “Refunding Alternate Bond and Interest Fund 2013A.”

3-100c: “GOB-Limited Tax bond” was replaced by “Limited Tax Refunding Park Bonds.”

3-100d: Items 1 and 2 were changed to comply with the current law. “Unassigned” was replaced by “unrestricted” and “minimum” throughout document.

3-100e: Policy name changed to Budget Development – Appropriate Minimum Fund Balance, Recreation Fund. “Unreserved” was replaced by “unrestricted,” and “unreserved” was replaced by “assigned” throughout document. “Unreserved Fund Balance” was replaced by “Minimum Fund Balance.”

3-101-c: “Equipment” was placed in front of Capital for clarification. “Received” was replaced by “transferred.”

Frangiamore asked about the \$5,000 limit for the CERF fund and if it was a set legal limit or if it is a Park District limit. Jones stated it was set by the Park District years ago. Frangiamore asked if it should be increased to be more current, and Jones explained they have not had an issue with the number and everyone recognizes the threshold.

3-101-E: “Playground structures” was removed from the CERF fund since they are now in the Capital Fund.

3-101-R: Under item 5 “substantial” was placed in front of “restricted,” and “committed” was removed from item 6.

3-101-S: The word expenses was changed to expenditures throughout the policy.

Stanko stated he has concerns with the presented changes in Policy 3-101-W and isn't comfortable with this due to the agreement made with the Friends of the Prairie. He feels the changes made put the Policy in conflict with the agreement and how the money is to be used.

Stanko explained the Policy as it stood mirrored the agreement, and now the agreement and the discussed Policy are no longer the same. Jones explained the items changed in the Policy are only stated in the Policy and not stated in the agreement. The restrictions in the previous version of the policy were set by the Park Board, not the Friends of the Prairie. Stanko stated that he would like to read over the agreement again. Jones distributed a copy of the agreement and stated he would add it to the agenda for the next meeting.

Frangiamore requested that if they review Policy 3-101-W again that a decision needs to be made in regards to the changes of this Policy and what it means.

5-002: Added "park" in front of district to make it say park district instead of just district.

5-005: Added "park" in front of district and added "assigned" in front of occurrences of delegate.

5-006: removed "on an annual basis" from item 5b based on what is currently done.

Stanko asked about item 6b and that it be changed to say "exotic species eradication" and not "exotic pest eradication." He also asked that 9a3 be changed to read "habitat restoration" instead of having "ecosystem restoration."

5-008: Added "park" in front of district throughout document.

5-009a: "Delegated alternate" was replaced by "assigned delegate."

5-011: Stanko stated 4b should read "wildlife habitat" not "wildlife habitation."

6001: Under item 3, "attached to" was replaced by "included with."

6-013: Added "park" in front of district.

7-003: Added "park" in front of district.

8-001: Changed safety manual to read safety handbook. Changed item 4 from "Safety Coordinator" to "Safety and Risk Manager."

8-003: Changed "IL Department of Labor" to "Occupational Health and Safety Administration" (OSHA).

Stanko thanked staff for their hard work updating the Policies and he stated he enjoyed reading the policies.

***Frangiamore moved to recommend revised policies as noted to the Board of Commissioners for approval as follows: 2-005 - Chain of Command—Executive Director Succession; 2-010 - Paid Advertising Involving Park District Materials and Settings; 3-002 – Revenue Policy; 3-016 - General Obligation Limited Tax Refunding Park Bonds (Non-Referendum) Issue - Purpose & Practices; 3-018 – Economy of Resources; 3-100a – Budget Development - Authorized Funds; 3-100c – Budget Development - Use of Investment Earnings for Capital Projects Funding; 3-100d – Budget Development Appropriate Minimum Fund Balance, Corporate Fund; 3-100e – Budget Development Appropriate Minimum Fund Balance, Recreation Fund; 3-101-C – Budget - Purpose and Practices, Capital Projects Fund; 3-101-E – Budget - Purposes and Practices, Capital Equipment Replacement Fund; 3-101-R – Budget – Purpose & Practices – Recreation Fund; 3-101-S – Budget - Purpose and Practices, Special Recreation Fund; 5-002 – Open Space & Land Acquisition; 5-005 – Easement Requests; 5-006 – Environmental Philosophy; 5-008 – Natural Areas Prescribed Burn Management; 5-009 – Naming & Renaming of Park Sites, Recreation Facilities, Site Amenities or Features; 5-009a – Park Identification/Name Signs; 5-011 – Defective Tree Identification and Classification; 6-001 – Philosophy of Recreation Programs; 6-012 – Community-Wide Coordination of Recreation Programs, Facilities and Services; 6-013 – Community Wide Cooperative Use and Maintenance of Facilities; 7-003 – Satisfaction Guaranteed; 8-001 – Safety & Loss Control; and 8-003 – Use of Personal Protective Equipment. Second by Stanko.***

Voice vote: 2-0. All voting yes. Motion carried.

Jones explained the next item to be discussed was the budget preview for the upcoming fiscal year, and he handed the floor over to V. Krueger to walk through the budget.

V. Krueger explained the purpose of tonight’s discussion is to go over the budget highlights and items of interest. After reviewing the items, any input received this evening will be used to develop the proposed FY 17/18 budget for presentation and tentative approval by the Board.

V. Krueger stated the Park District received an estimate from the County Assessor of \$545,114,719 for its 2016 EAV. This is an increase of 6.7% or \$34,229,322 over the 2015 EAV rate.

V. Krueger continued explaining that at this point in the budget planning process, the two most significant operating funds, the Corporate and Recreation funds, are still being reviewed by Staff and will continue to be up until the tax extension is received in April. Other fund balances will be reduced as part of planned fund level reductions or as the planned source of funding for specific circumstances. These funds include the following: Developers Donation, Capital Projects, Liability Insurance, IMRF/Social Security, and Cary Prairie Heritage.

V. Krueger continued reviewing the budget and started to discuss Foxford Hills Golf Club (FHGC). FHGC projects to again have a positive operating income in FY 16/17 of \$15,571. The first principal payment of \$47,000 on the Debt Certificates for the new golf carts is due on December 15, 2017. Per direction of the Board, funds advanced to FHGC are to be considered a loan represented by an assignment of the Corporate Fund Balance. Based upon projected cash requirements at year end FY 16/17, the advance should be increased to a budgeted loan of

\$545,000. This is an increase over last fiscal year of \$150,000. Staff will continue to monitor the intercompany loan in FY 17/18 and re-evaluate how FHGC should be accounted for going forward.

The Capital Equipment Replacement Schedule (CERF) was next discussed, and V. Krueger stated the fund has been updated for FY 17/18 to include the replacement of all capital equipment items at the golf course. As discussed at the February AFP meeting, the annual funding level for CERF is being increased by \$20,000 to \$170,000 in FY 17/18 to address the long term funding needs of the District to replace their capital equipment. The CERF includes 64 pieces of equipment at the Golf Course with a replacement cost of \$1,296,893, and 79 pieces of equipment at the District at a replacement cost of \$1,809,859. The FY 17/18 budget includes \$241,936 to replace equipment at the District and \$118,570 to replace equipment at the golf course. The estimated carry forward balance at the end of fiscal year 17-18 is \$309,575.

Stanko asked if there were really over 100 items in the CERF fund totaling \$3,100,000, and V. Krueger stated that information is correct.

V. Krueger stated that under staff, due to the reclassification of the Registration Manager to a part-time position, money has been included to accommodate an addition of another Recreation Program Manager. Also a 3% merit pool has been proposed for a total cost of \$37,195 for FY 17/18. She continued stating current salaries for full-time positions within the merit pool are approximately 92% of the mean plus 10% of comparable positions in comparable Park Districts.

V. Krueger explained that the implementation of the Action Plan from the Comprehensive Master Plan (CMP), updated 2016, is incorporated into the FY17/18 budget.

Discussion was held on the milk house at Sands Main Street Prairie which has fallen into disrepair from age and weather. V. Krueger stated to restore or rebuild the milk house will cost \$24,000 to \$98,000 based on quotes received from various companies. B. Krueger stated he would be okay if they take documents and measurements to preserve the current milk house, and then knock it down to reduce the hazard of the building. After that is done, sometime in the future the milk house can be rebuilt based off the measurements of the old building.

Stanko agreed there is value in putting up another building, but sometime in the future. He asked if the milk house could be incorporated into the CMP when that time arises, and Jones stated that it could. If building the milk house is a priority, then it could be incorporated into the action plan of enhancing the prairie.

B. Krueger asked Rogus if staff would be able to knock down the structure without having to contract the work. Rogus stated that staff would be able to handle the demolition of the structure without contracting, and that an architect has already done renderings of the building.

Hauck asked if they could save the stones and sell them, and Rogus said no due to the stones being made of clay. There would be an attempt to save whatever materials that could be saved.

The consensus of the Committee was to remove the milk house restoration from the budget and remove the current structure.

V. Krueger next discussed the Debt Service Schedule. She explained the Series 2005 for the purchase of the Hoffman Property will be paid off in FY 17/18. The Series 2013A for the purchase and development of Cary-Grove Park and the purchase of Foxford Hills will be paid off in FY 20/21. She also stated how the new debt certificates for the Golf carts were added to the schedule since the previous debt certificate was paid off in December 2016.

V. Krueger went over Possible Available Funding from Fund Balances. She stated that the fund balance requirement states that three months of expenditure costs should be set aside and not used for spending. The funding from the corporate fund is \$660,602 with a total projected available funding of \$1,022,770. This is comprised of the Corporate Fund Balance, adjusted for the minimum fund balance requirement and the intercompany loan, the Capital Projects Fund Balance, and the Developer Donations Fund.

V. Krueger next reviewed the 10-year Capital Projects Financial Projection. The estimated \$3,200,000 will be taken out in FY 18/29 for Kaper and Lions Parks. In FY 20/21 \$8,000,000 will be taken out in bonds for the building of a recreation center. Staff felt the use of developer donations for the CMP at Kaper and Lions Parks was appropriate at this time instead of taking out additional debt.

V. Krueger explained that Meyer Material, per its agreement with the Village of Cary, is scheduled to pay \$350,000 for the development of the trail in Hoffman Park. In order to get grant money from the state to assist with the trail development, the Park District has to contribute 20% of the overall cost, so the \$300,000 will be used to cover the Park District's 20%.

The last budget item reviewed by V. Krueger was items listed under the CMP. She explained items included in the budget are the disc golf course, the annexation of Cary-Grove Park, the initial expenditures to master plan Kaper and Lions Parks, the costs for the design and development of the recreation facility, phase one costs for the Hoffman Trail, and consulting costs for Sands Main Street Prairie.

The Committee thanked V. Krueger and staff for their hard work putting together the budget.

Jones next explained that during the Committee of the Whole the Board is when staff will recommend the tentative approval of the budget.

***Frangiamore moved to adjourn the meeting. Second by Stanko.***

Voice vote: 2-0. All voting yes. Motion carried.

Meeting adjourned at 7:38 PM.