

Cary Park District  
Board of Commissioners  
**Administration, Finance & Personnel Committee Meeting**  
December 13, 2018  
6:30 PM  
Community Center  
255 Briargate Road  
Cary, IL 60013

**Minutes**

Committee Members Present: Frangiamore and Stanko  
Committee Members Absent: Hauck  
Commissioners Present: Howell  
Commissioner Renner entered the meeting at 6:37PM

Guest Present: Melissa Victor, Resident  
Michael Murphy, Resident

Staff Present: Jones, Krueger, Rogus, Raica, Hughes, Kelly, and Lee.  
Chair Stanko called the meeting to order at 6:34 PM.

The Pledge of Allegiance to the Flag was recited.

The minutes from the November 8, 2018 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.

Krueger explained that each year at this time, a calendar of the upcoming budget process is presented to the AFP Committee. During the budget process the AFP Committee will review a draft budget in March and in April a Committee of the Whole will be convened to review the budget and ordinance for the Cary Park District FY ending 4/30/20. She asked if there were any questions on the calendar as proposed.

Stanko asked for clarity on the abbreviation MSI as well as AFP so if the public were to read the calendar they know what it is referring too.

Jones explained the calendar is presented to the AFP Committee as information and for discussion and no action is required of the Committee on this item at this time.

Jones explained that in previous Committee and Board meetings during 2018, the Capital Equipment Replacement Fund (CERF) was discussed due to the potential underfunding of the fund in fiscal year 2022/2023.

Krueger stated that as of April 30, 2018, the CERF had a fund balance of \$414,745.05. The CERF fund is used to fund long-term funding for replacement of the Park District's capital equipment. explained that yearly the Park District reviews the CERF schedule and if an item that is to be purchased is still usable, then that purchase will be pushed off for a future date. Krueger reviewed the history of the fund and sources of revenue from interfund transfers that have been completed annually. While the cost of replacing items increased, and the number of items that have been included in the fund has also increased, the funding to support the account did not increase or increased only marginally over time.

Krueger explained that as part of the Financial Modeling Tool developed in concert with the 2016 Comprehensive Master Plan, future capital dollars of approximately \$240,000, were identified that were uncommitted or whose purpose is yet to be determined. A portion of these dollars could be allocated to the existing transfer-in from the Corporate Fund to CERF on an annual basis to improve the overall funding. To evaluate the potential impact of an approach like this, staff increased the transfer-in to CERF from the Corporate Fund by \$120,000 and revised the adopted FY 18/19 ten year capital equipment replacement schedule accordingly. The result of this model was that the CERF no longer projected to be underfunded. She then stated that it is the recommendation of staff to take this approach when it becomes available in the future.

She then stated that other options to complete capital projects exist that do not exist for the funding of CERF, including developer donations, transfer from special recreation fund, and bond proceeds.

Frangiamore asked about the Enterprise fund for the golf course and whether or not it could make contributions to the CERF in the future. Krueger explained that is an option that can be looked at once the golf course debt has been paid off, which will be occurring in the next few years.

Stanko asked if the \$240,000 represented non-bond funding and if it will still be available when certain bond of the District are paid off. Krueger explained that this is correct, that these funds are from corporate tax dollars and are not tied to bond revenues. Jones explained that in the development of the FMT, staff made a purposeful decision to keep dollars available for smaller capital projects and doesn't want to expend all available dollars paying off debt on larger projects over the course of a long term bond issue.

Stanko asked about three capital items listed at the Senior Center. Jones said that it included the purchase of two furnaces and the eventual replacement of the elevator. Stanko asked about the lease agreement with the Village of Cary and if it specifies who is responsible for repairs needed at the Senior Center. Jones explained that the general maintenance and operational items (such as furnaces) have been replaced by the Park District, while the Park District and Village of Cary work cooperatively when larger items need to be addressed at the Senior Center.

Stanko said it would be nice if at some point after 2021 that some of the revenue generated from the golf course be used to contribute to the CERF. He then asked if the money in the CERF is ever fully depleted in any budgeted year. He asked if a methodology could be developed to maintain funding at 90% so there would always be money to pay for what is up to be replaced in

a given year. Jones stated that due to the varying nature of items in the CERF from year to year, this would not be the best approach to take. The approach taken for many years has served the Park District and its operations to serve the community very well.

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

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

Meeting adjourned at 6:55 PM.