



## FOREST PRESERVE DISTRICT OF KANE COUNTY

### FINANCE AND ADMINISTRATION COMMITTEE MINUTES

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#### I. Call to Order

The Forest Preserve District Finance and Administration Committee meeting was held Tuesday, February 25, 2020 at 2:00 PM at the Administration Offices located at 1996 S. Kirk Road, Suite 320, Geneva, IL 60134. The meeting was opened by Chairman Mark Davoust at 2:00 PM.

##### Members Present:

Commissioner Theresa Barreiro	Present
Chairman Mark Davoust	Present
Commissioner Matt Hanson	Present
Commissioner John Hoscheit	Present
President Michael Kenyon	Present
Commissioner Chris Kious	Present
Commissioner Bill Lenert	Present
Commissioner John Martin	Absent
Commissioner Penny Wegman	Present

##### Others Present:

Tom Sawyer, Sawyer Falduto and Dan Forbes, Speer Financial. Monica Meyers, Executive Director, Ken J. Stanish, Chief Financial Officer, Ken Anderson, Jr., Chief of Planning and Operations, Laurie Metanchuk, Director of Community Affairs, Ben Habberthur, Director of Natural Resource Management, Tracey Smith, Director of Human Resources, John Goreth, Director of Operations, Cait Rodeghero, Administrative Specialist, Brittan Kovach, Communications Specialist  
Attorneys Hodge and Kinnally

#### II. Approval of Minutes from January 28, 2020

<b>RESULT:</b>	<b>ACCEPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Bill Lenert, Commissioner
<b>SECONDER:</b>	John Hoscheit, Commissioner
<b>AYES:</b>	Theresa Barreiro, Mark Davoust, Matt Hanson, John Hoscheit, Michael Kenyon, Chris Kious, Bill Lenert, Penny Wegman
<b>ABSENT:</b>	John Martin

#### III. Public Comment (Each speaker is limited to three minutes) *None.*

#### IV. Presentations

##### A. Presentation of the 2019 Financial Report by Sawyer Falduto Asset Management LLC.

Chief Financial Officer Ken Stanish introduced Mr. Tom Sawyer, Managing Partner from Sawyer Falduto Asset Management. Presentation by Thomas Sawyer, Managing Partner of Sawyer Falduto Asset Management, LLC. He explained that the equities posted a solid gain

during the 1st quarter both domestically and internationally. The S&P had its best start for the year since 1998 and highest overall quarterly gain since 3Q 2009. The short-term interest rates were unchanged at the Federal Reserve's March meeting. The current Federal Reserve monetary policy has shifted away from additional rate increases. The capital markets are now reflecting a strong possibility of a rate decrease during 2019. The expectations for economic growth have been lowered based on global trade concerns and growth continues to be positive, but at a slowing rate. New legislation was passed that had to do with sustainability. This will not affect the District's portfolio, but the policy should be added to be compliant.

<b>RESULT:</b>	<b>ACCEPTED</b>
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## V. Bids and Proposals

### A. Presentation and Approval of a Proposal for Settler's Hill Golf Course Improvements Project

The lowest responsible bidder was Wadsworth Golf Construction Company of Plainfield, Illinois, for the base amount of \$6,462,503.37. For this project bid process, value engineering through unit pricing was utilized (Value engineering is a systematic method to improve the "value" of goods or products and services by using an examination of function. Value, as defined, is the ratio of function to cost.). This allowed the golf course architect to evaluate each part of the bid and determine which items can be reduced or removed, based on function and price. With value engineering savings, the base construction costs would be \$5,814,226.37 with Wadsworth Golf Construction Company. Additionally, staff requests a project contingency (five percent) for \$290,712.00. This would cover any additional costs that may arise during construction. The total estimated cost for the course construction would be \$6,104,938.37. Settler's Hill Golf Course Improvement.

Project owner responsibilities:

- Structures - pump house and electrical: in house construction estimated cost - \$50,000.00
- Bridges: in house construction budgeted FY 2019/2020
- Grow-in: third party to be bid out or part of new management company responsibility - \$285,000.00

Staff recommends the Commission approve the transfer of funds from FY 2019/20 project "Capital Projects as Determined by the Commission" - Project #30705 (Account #03-35-35-7050) in the amount of \$2,106,000.00 to the Settler's Hill Golf Course Improvement Project - Project #30323. Secondly, Staff recommends the approval of the contract with the lowest responsible bidder, Wadsworth Golf Construction Company of Plainfield, Illinois for the base amount of \$5,814,226.37. Thirdly, Staff requests approval of a five percent contingency of \$790,712.

**DISCUSSION:** Commissioner Hoscheit expressed his concern at spending \$7M on a golf project. Commissioner Lenert suggested that while the amount is large, it is a District asset which needs to be maintained. He would also like to see the future management agreement include maintenance and a

future return. Chairman Davoust reminded all that those funds were earmarked for these renovations will be used for years to come and this keeps the promise that was made to create a premier recreational expanse. This will allow more educational opportunities for many and keeps with our mission. Commissioner Hanson expressed his concern for the operations and management company, as we go forward and are clear in the RFP regarding these concerns. Chief of Planning and Operations Ken Anderson stated that the fund balance of the Landfill Fund at Kane County is about \$3M, which is earmarked for environmental concerns at the landfill. Those funds are managed by the County. Commissioner Kious expressed his caution at the expectation of a revenue generating facility. Chairman Davoust explained that the opportunity of more services, such as banquets and more group play outings. Commissioner Hanson added that he has seen the Orchard Valley course, which is a park district facility, business decline and that the days of spending the day at the "country club" and spending money there as well, has died out to a degree.

<b>RESULT:</b>	<b>MOVED FORWARD BY VOICE VOTE [7 TO 1]</b>
<b>TO:</b>	<b>EXECUTIVE COMMITTEE 3/6/2020 8:30 AM</b>
<b>MOVER:</b>	Bill Lenert, Commissioner
<b>SECONDER:</b>	Matt Hanson, Commissioner
<b>AYES:</b>	Theresa Barreiro, Mark Davoust, Matt Hanson, Michael Kenyon, Chris Kious, Bill Lenert, Penny Wegman
<b>NAYS:</b>	John Hoscheit
<b>ABSENT:</b>	John Martin

## VI. New or Unfinished Business

### A. Presentation and Approval of Commissioners' Expenses Attending the 2020 IAPD/IPRA Annual Soaring to New Heights Conference in Chicago

Commissioners and staff attended the IAPD/IPRA Soaring to New Heights Conference in Chicago, Jan. 23-25, 2020. The following were the commissioners in attendance and their related expenses, such as conference registration, hotel, mileage and meals:

Mark Davoust:	\$831.50
John Hoscheit:	\$365.00
Mike Kenyon:	\$843.68
Penny Wegman:	\$325.00

Over 4,200 parks, recreation and conservation professionals and commissioners attended this multi-day conference, which includes more than 200 educational sessions and workshops, as well as an exhibition hall featuring more than 300 product and service vendors. Some commissioners and staff earn continuing-education credits, to maintain professional certification status in their respective fields, through attendance of educational sessions and workshops. The District approved, by resolution on Dec. 13, 2016, a policy for the regulation of said expenses, which requires all travel expenses for commissioners be approved through a public meeting of the Commission.

**DISCUSSION:** None.

<b>RESULT:</b>	<b>MOVED FORWARD BY VOICE VOTE [UNANIMOUS]</b>
<b>TO:</b>	<b>EXECUTIVE COMMITTEE 3/6/2020 8:30 AM</b>
<b>MOVER:</b>	Bill Lenert, Commissioner
<b>SECONDER:</b>	Chris Kious, Commissioner
<b>AYES:</b>	Theresa Barreiro, Mark Davoust, Matt Hanson, John Hoscheit, Michael Kenyon, Chris Kious, Bill Lenert, Penny Wegman
<b>ABSENT:</b>	John Martin

**B. Presentation and Approval of “Consideration of an Ordinance Providing for the Issue and Sale of Not to Exceed \$22,500,000 General Obligation Refunding Bonds, Providing for the Levy of Taxes to Pay the Bonds and Authorizing the Execution of an Escrow Agreement in Connection with the Issue of the Bonds.”**

This is very good news and a savings that will be returned to our Kane County residents about \$250K annually. An ordinance authorizing the refunding of the General Obligation Bonds, Series 2011A. Based on discussions with our financial advisor, Speer Financial, the District could lower its interest cost and thus save the taxpayers’ money. Current estimates show the District would save approximately \$2.37 million (11.3%) in net present value savings. This would lower the annual bond payments by approximately \$250,000, annually. The Government Finance Officers Association (GFOA) states there should be a minimum of 3% - 5% to justify doing the refunding, which this more than doubles. The 2011A General Obligation Bonds are due to mature in 2031, but have a call option coming up that would allow the District to refund the bonds on a tax-exempt basis.

Bond counsel has drafted the attached parameters ordinance that will allow the District to work with its financial advisor, and go to the market to sell the bonds when it is most conducive, and allow for the greatest interest savings.

**DISCUSSION:** *Commissioner Lenert asked about the redemption rate and the savings would still be there even if the interest rate doesn't increase as much as predicted. Dan responded that yes the time is best now, but it would not be a problem if it doesn't change dramatically. CFO Stanish reminded all that there is a stipulation in the documentation from Bond Counsel that there has to be a minimum of 5% savings in order for this to be generated.*

<b>RESULT:</b>	<b>MOVED FORWARD BY VOICE VOTE [UNANIMOUS]</b>
<b>TO:</b>	<b>EXECUTIVE COMMITTEE 3/6/2020 8:30 AM</b>
<b>MOVER:</b>	Bill Lenert, Commissioner
<b>SECONDER:</b>	Chris Kious, Commissioner
<b>AYES:</b>	Theresa Barreiro, Mark Davoust, Matt Hanson, John Hoscheit, Michael Kenyon, Chris Kious, Bill Lenert, Penny Wegman
<b>ABSENT:</b>	John Martin

**C. Presentation and Approval of the Restated Organization Ordinance**

Executive Director Meyers introduced the Restated Organization Ordinance. She explained that this ordinance has not been reviewed since 2002. There are many Illinois Statutes that have been introduced and the District while we are compliant, the document states it for the record. There were several changes to the titles of Committees, addition of the Travel Policy, and best management practices like staff assistance to the Board of Commissioners and also the chain of command.

<b>RESULT:</b>	<b>MOVED FORWARD BY VOICE VOTE [UNANIMOUS]</b>
<b>TO:</b>	<b>EXECUTIVE COMMITTEE 3/6/2020 8:30 AM</b>
<b>MOVER:</b>	Penny Wegman, Commissioner
<b>SECONDER:</b>	Matt Hanson, Commissioner
<b>AYES:</b>	Theresa Barreiro, Mark Davoust, Matt Hanson, John Hoscheit, Michael Kenyon, Chris Kious, Bill Lenert, Penny Wegman
<b>ABSENT:</b>	John Martin

**D. Presentation of the 2019 Campground Season Report**

John Goreth, Director of Operations made the 2019 Campground presentation. Highlights include the overview of the financial revenue comparisons. The 5 year revenue trend for Paul Wolff increased about \$100k since 2015 and about \$76K for Big Rock. The net revenues for Paul Wolff was \$107K and \$47K for Big Rock. This is our 2nd season since the rate increase. Overall the survey results show that most all of our campers are rating our campgrounds as Excellent for cleanliness and overall Excellent and 91% of our campers stated that they would return. Beginning in May 2020, the campgrounds will have WIFI use. The District will be researching some grants and other options for amenities. Staff has a lot of pride in our campgrounds in maintenance and general operations.

**DISCUSSION:** Commissioner Kious asked where the revenues that are generated go. Director Goreth stated that revenues are returned back into the General Fund.

<b>RESULT:</b>	<b>PLACED ON FILE</b>
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**VII. Closed Session to Discuss Land Acquisition, Contracts, Litigation and Personnel**

Entered into Closed Session to discuss contracts and litigation. 3:04 PM.

<b>RESULT:</b>	<b>ROLL CALL VOTE [UNANIMOUS]</b>
<b>MOVER:</b>	Penny Wegman, Treasurer
<b>SECONDER:</b>	Bill Lenert, Commissioner
<b>AYES:</b>	Theresa Barreiro, Mark Davoust, Matt Hanson, John Hoscheit, Michael Kenyon, Chris Kious, Bill Lenert, Penny Wegman
<b>ABSENT:</b>	John Martin

Exit at 3:38 PM

<b>RESULT:</b>	<b>ROLL CALL VOTE [UNANIMOUS]</b>
<b>MOVER:</b>	Bill Lenert, Commissioner
<b>SECONDER:</b>	Penny Wegman, Treasurer
<b>AYES:</b>	Theresa Barreiro, Mark Davoust, Matt Hanson, John Hoscheit, Michael Kenyon, Chris Kious, Bill Lenert, Penny Wegman
<b>ABSENT:</b>	John Martin

### VIII. Communications

Maple Sugaring Days are Saturday, March 7 and Sunday, March 8 from Noon to 3pm to be held at the LeRoy Oakes Forest Preserve, Creek Bend Nature Center.

### IX. Chairman's Comments

### X. Adjournment

**3:40 PM**

<b>RESULT:</b>	<b>ADJOURNED BY VOICE VOTE [UNANIMOUS]</b>
<b>MOVER:</b>	Bill Lenert, Commissioner
<b>SECONDER:</b>	Penny Wegman, Treasurer
<b>AYES:</b>	Theresa Barreiro, Mark Davoust, Matt Hanson, John Hoscheit, Michael Kenyon, Chris Kious, Bill Lenert, Penny Wegman
<b>ABSENT:</b>	John Martin

Mark Davoust, Chairman  
Forest Preserve District Finance and Administration Committee  
Forest Preserve District of Kane County

**Adjournment until: Tuesday, March 24, 2020 at 2:00 pm**  
**Forest Preserve District Administration Offices**  
**1996 S. Kirk Road, Suite 320 Geneva, Illinois**

Respectfully Submitted,

*Ellen J. Maglio*

Ellen J. Maglio  
Recording Secretary



## FOREST PRESERVE DISTRICT OF KANE COUNTY

### FINANCE AND ADMINISTRATION COMMITTEE CLOSED SESSION MINUTES

FEBRUARY 25, 2020

The Forest Preserve District Finance and Administration Committee meeting was held Tuesday, February 25, 2020 at 3:00 PM at the Administration Offices located at 1996 S. Kirk Road, Suite 320, Geneva, IL 60134. The meeting was opened by President Michael Kenyon at 3:00 PM.

**Members Present:**

Commissioner Theresa Barreiro	Present
Chairman Mark Davoust	Present
Commissioner Matt Hanson	Present
Commissioner John Hoscheit	Present
President Michael Kenyon	Present
Commissioner Chris Kious	Present
Commissioner Bill Lenert	Present
Commissioner John Martin	Absent
Commissioner Penny Wegman	Present

**Others Present:**

Monica Meyers, Executive Director, Ken J. Stanish, Chief Financial Officer, Ken Anderson, Jr., Chief of Planning and Operations, Laurie Metanchuk, Director of Community Affairs, John Goreth, Director of Operations, Cait Rodeghero, Administrative Specialist, Attorneys Hodge and Kinnally

**Discussion**

Entered into Closed Session to discuss contracts and litigation.

[REDACTED]

[REDACTED]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]



[REDACTED]

**Exit Closed Session**

Exit motion by Commissioner Lenert and second by Commissioner Wegman.

Respectfully Submitted,

*Ellen J. Maglio*

Ellen J. Maglio  
Recording Secretary