MCHENRY COUNTY CONSERVATION DISTRICT
BOARD OF TRUSTEES
FINANCE & ADMINISTRATIVE COMMITTEE
MINUTES OF FEBRUARY 15, 2018

1.0 CALL TO ORDER
The Meeting of the Finance & Administrative Committee of the Board of Trustees of the McHenry County Conservation District was called to order by Vice President Kranz on February 15, 2018 at 5:01 p.m. at the Brookdale Administrative Offices, 18410 US Highway 14, Woodstock, Illinois.

2.0 ROLL CALL
Finance Committee Present: Vern Scacci, Secretary
Dave Kranz, Vice President

Trustee Absent: Pete Merkel, Treasurer

Staff Present: Elizabeth S. Kessler, Executive Director
Andy Dylak, Director of Administration & Finance
Ed Collins, Director of Land Preservation & Natural Resources

3.0 PUBLIC COMMENTS
There were no comments from the public.

4.0 REVIEW MONTH OF JANUARY 2018 FINANCIAL STATEMENTS
4.1 Submission of Bills Payable
Director of Administration and Finance Dylak asked the members of the Finance & Administrative Committee if there were any questions on the Submittal of Bills Payable. Members of the Committee requested that the following bills be pulled and reviewed at the next meeting to ensure that the invoices were properly authorized and paid in accordance with the District’s purchasing policies: Keystone Hatcheries ($3,400), City of Crystal Lake ($3157.67), Bobcat of Rockford ($2,628).

The consensus of the Finance & Administrative Committee members was to move the Bills Payable forward to the full board and recommend approval through the Regular Agenda.

4.2 Treasurer’s Report
Director of Administration and Finance Dylak provided a brief overview of the Treasurer’s Report and noted the General Fund had a favorable operating surplus of $885,876 over budget. He estimated that the FY 2018 would end with an actual operating surplus of approximately $700,000. Secretary Scacci asked if the favorable budget surpluses would be awarded back to the departments/managers who generated them. Director of Administration and Finance Dylak responded that they would not be, but rather would be incorporated into the General Fund’s fund balance. He stated that when projects or purchases do not get completed or procured in the fiscal year, staff may ask for some specific items to be ‘reappropriated’ accordingly and that the FY 2019 Tentative Budget included approximately $50,000 of reappropriation requests.
The consensus of the Finance & Administrative Committee members was to move the Treasurer’s Report forward to the full board and recommend acceptance through the Consent Agenda.

4.3 FY 2018 Variance Report
Director of Administration and Finance Dylak provided a brief overview of the Budget Variance report for the FY 2018 third quarter ended December 31, 2017. He explained that Managers had provided explanations for any variance that exceeded the established variance threshold of 10% and/or $2,000.
No motion, informational only.

5.0 APPROVAL OF MINUTES
5.1 Minutes
There were no minutes to approve.

6.0 CONSENT AGENDA, PURCHASING, REVIEW OF CHANGE ORDERS & ADDENDUMS
6.1 Authorization to Bid Native Trees & Shrubs - Bid #0218.08.01

6.2 Authorization to Bid FY 2019 HMA Replacement Projects - 
Bid #’s 0218.09.01, 0218.09.02, 0218.07.01

6.3 Authorization to Bid Herbicide for Various Restoration Projects - 
Bid #0218.08.02

6.4 Authorization to Bid Contracting Herbiciding for Various Restoration Projects -
Bid #0218.08.03

Executive Director explained that the bid for HMA replacement projects was actually for FY 2019. Getting the bids out prior to the start of the fiscal year would allow the projects to start earlier in the season, giving more flexibility to the contractors to ensure the projects were completed during the fiscal year and potentially obtain better pricing. Director of Land Preservation and Natural Resources Collins explained that in recent prior years the total amount of particular type of herbicide has approached the $25,000 bid threshold and therefore staff is seeking permission to go to bid for herbicides. There was no further discussion about any of the consent agenda items.
The consensus of the Finance & Administrative Committee members was to move items 6.1 through 6.4 forward to the full board and recommend acceptance through the Consent Agenda.

7.0 CONSENT AGENDA - LEASES & LICENSES LAND USE
7.1 YCC Grant Agreement - US Fish & Wildlife Service - Resolution #18-04
Director of Land Preservation and Natural Resources Collins explained that the District has been hosting a Youth Conservation Corps Crew to work on the Hackmatack National Wildlife Refuge Partnership lands since 2014. In order to facilitate the YCC program the United States Fish and Wildlife Service grants the YCC crew funds of $15,000 directly to the District. The District hires the crew leader and this year due to budgetary constraints, the District requested additional funding to help cover the cost of a crew leader and was awarded 55% of those costs as well.
7.2 **Intergovernmental Agreement - McHenry County Division of Transportation for Mitigation of Randall & Algonquin Roads: Alden Sedge Meadow - Resolution #18-05**

Executive Director Kessler explained this is a very favorable project for the District and will provide $254,800 of revenue into the Natural Resources Special Revenue Fund which helps offset pressures on the General Fund’s operating budget. Director of Land Preservation and Natural Resources Collins explained this allows for the restoration of an area that otherwise would likely not be funded.

7.3 **Intergovernmental Agreement - McHenry County College for Temporary Access & Construction of Water Service Extension: Ridgefield Trace - Resolution #18-06**

Vice president Kranz asked why it was necessary to cross the District’s path in four places. Director of Land Preservation and Natural Resources Collins explained it was simply due to the District’s trail having several curves where the College needed to cross.

*The consensus of the Finance & Administrative Committee members was to move items 7.1 through 7.3 forward to the full board and recommend acceptance through the Consent Agenda.*

8.0 **FY 2019 BUDGET PRIORITIES & TIMELINE**

8.1 **FY 2019 Budget Priorities & Timeline**

Director of Administration & Finance Dylak gave a summary of the proposed FY 2019 Tentative Budget. He explained that while the full detail of the budget packet was not complete, staff wanted to go ahead and distribute the preliminary working copy to give Trustees more time to become familiar with the Budget document that they would be approving in March. He highlighted the General Fund’s budget summary; explaining that other than some known personnel changes, there were no major changes from the FY 2018 Budget. He then reviewed the personnel changes, explaining that the (6) fulltime positions that had been frozen, but included in the FY 2018 Budget, were eliminated from the FY 2019 Budget and that (3) fulltime positions and (2) part-time positions had been added to the General Fund’s budget. The fulltime positions included: an eighth Officer, a Social Media Specialist and a Director of Development/Executive Director of McHenry County Conservation Foundation and the part-time positions included the GIS Specialist (formally funded within the NRM-Special Revenue Fund), and a new Custodial Position (which would be paid for from the elimination of contracting custodial services). Secretary Scacci asked if the (6) frozen positions had been frozen to generate a savings which could be used to fund the Capital Asset Management Plan (CAMP) and if so, does that mean the funding ability had been significantly reduced with the addition of the new positions. Executive Director Kessler responded that the original purpose of freezing the positions was to work towards that goal; however, public awareness/outreach and the need to grow non-tax revenue has become a higher priority. Strategically investing in these two new positions is necessary if the District is to raise significant dollars and build awareness through social media and as a result, has become a higher more immediate priority than funding the long-term CAMP needs or re-instating other frozen positions. Executive Director Kessler noted that items on the CAMP are evaluated each year as part of the budgeting planning process, all priorities are weighed and decisions made accordingly as to what items are funded. It was also noted that had the District not abated the FY 2017 property tax levy, the District’s sustainable funding of the CAMP would have been within reach.
9.0 GRANTS, DONATIONS GIFTS & BEQUESTS

9.1 Acceptance of Lorraine Lid bequest- Ordinance #18-945.

Executive Director Kessler explained that the District had received a bequest in the amount of $474,432 from Lorraine Lid. These monies would be deposited into the Dedicated Accounts Fund and restricted until an opportunity arose which would allow the District to appropriately memorialize Ms. Lid’s commitment to conservation. She explained that Ms. Lid had been a long-time supporter of the District and other conservation organizations. Director of Land Preservation and Natural Resources Manager Collins added that Ms. Lid was passionate about conservation and environmental issues and that she had donated annually to the Big Woods - Planting for Tomorrow program. Executive Director Kessler emphasized the importance of developing relationships with individuals within the community and remaining focused on our mission; small gifts can become significant gifts and history has shown many generous gifts have been realized by the District and the McHenry County Conservation Foundation.

The consensus of the Finance & Administrative Committee members was to move the item forward to the full board and recommend acceptance through the Consent Agenda.

10.0 ADJOURNMENT

There being no further business to come before the Finance & Administrative Committee.

A motion was made by Secretary Scacci, seconded by Vice President Kranz that the meeting be adjourned.

Motion passed unanimously.

Meeting adjourned at 5:58 p.m. on Thursday, February 15, 2018.

Respectfully submitted,

Dave Kranz, Trustee

[Signature]

Date: 3/15/18