

**McHENRY COUNTY CONSERVATION DISTRICT
BOARD OF TRUSTEES
MINUTES OF NOVEMBER 14, 2022
SPECIAL CALL MEETING - FINANCIAL WORKSHOP**

1.0 CALL TO ORDER

The Special Call Meeting - Financial Workshop of the Board of Trustees of the McHenry County Conservation District was called to order at 5:00 p.m. by President Cook on the evening of Monday, November 14, 2022, at the Lost Valley Visitor Center, 6720 Keystone Road, Richmond, IL 60071.

2.0 PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by President William Cook.

3.0 ROLL CALL

3.1 Roll Call

Trustees Present: William Cook, President
Christopher Dahm, Vice President
Pat Fritz, Treasurer
Linda Thomas, Secretary
Reynaldo Gaytan, Jr, Trustee
Shawn Zimmerman, Trustee
Lloyd Everard, Trustee

Staff Present: Andrew Paine, Attorney
Elizabeth S. Kessler, Executive Director
John Kremer, Director of Operations, Planning & Public Safety
Andy Dylak, Director of Finance & Administration
Ed Collins, Director of Land Preservation & Natural Resources
Wendy Kummerer, Director of Marketing & Education
Shawna Flavell, Executive Director of the McHenry County Conservation Foundation
Kristi LaMontagna, Executive Administrative Assistant
Laura King, Chief of Police
Amy Peters, Planning & Development Manager
Becky Lambert, Education Services Manager
Caitlynn Martinez-McWhorter, Marketing Manager
Perry Weborg, Operations Manager

Others Present: Carolyn Campbell, Director, McHenry County Conservation Foundation
Dennis Dreher, Director, McHenry County Conservation Foundation
Ray Eisbrener, Director, McHenry County Conservation Foundation
Elise Livingston, Director, McHenry County Conservation Foundation

4.0 PUBLIC COMMENTS I

President Cook asked for any public comments. There were no public comments.

5.0 FINANCIAL PLANNING

Director of Finance & Administration Dylak briefed the Board on the Capital Asset Management Plan (CAMP) Fund by going over a few slides mentioning that Capital Assets defined within the plan have expenditures greater than \$5,000 with an expected useful life greater than one year and extends the useful life. The General Fund Operating Budget includes tools and equipment, etc. and routine maintenance of repairs and replacements.

Director of Finance & Administration Dylak continued to define the CAMP Fund which funds the long-term replacement of existing capital, significant assets that are generally greater than \$20,000 that are not supported within the General Fund and have an average useful life of greater than five years.

Director of Finance & Administration Dylak moved into the history of the CAMP Fund noting that the first compilation was in 2008, compiled into a single document which included the long-range 10-year costs estimates as well the available funding. In January 2011, the Board designated \$4.5 million for CAMP needs and in April of 2013 the Capital Improvement Plan (CIP) Fund was established solely for the CAMP needs and \$4.2 million was transferred from the Dedicated Accounts Fund to the CIP Fund.

Director of Finance & Administration Dylak briefed the Board on vehicles and equipment that this includes, bridges and other improvements, along with trails, parking lots and roads.

Director of Finance & Administration Dylak explained that the CAMP Fund supports one-time needs and as of the 2019 update these items included the Natural Capital Improvement Plan for native seeds at \$399,594, Prairie Trail South erosion control at \$66,300, Winding Creek berm and culvert replacement at \$25,500, bringing a total of one-time natural capital funding needs to \$491,394.

Director of Finance & Administration Dylak continued with the CAMP Fund cost summary mentioning that with the 2019 update, the average annual cost for total replacements was approximately \$1,118,544 with a 10-year total cost (FY 2021-FY 2030) estimated at \$11,185,440 and assumes annual inflation at 2%. He explained that if the assumed rate of inflation was increased from 2% to 4% the annual cost of replacements increased to \$1.3 million.

Director of Finance & Administration Dylak finished the CAMP Fund briefing by providing a current 2022 update of the 10-year projected CAMP costs; which were estimated at \$21.7 million, a substantial increase over the amount projected in 2019. He explained that as we move forward in time and projects identified 3 years ago do not get funded/completed, the costs of the deferred projects get carried forward and the total cost of the CAMP continues to compound.

Executive Director Kessler briefly went over the pathways explored including the pros and cons of taking the annual Property Tax Extension Limitation Law (PTELL) Levy based on the Consumer Price Index (CPI) up to a max of 5%, whichever was lower.

Director of Finance & Administration Dylak briefed the board on how the PTELL Levy works and illustrated the minimal impact of a possible referendum approved PTELL Levy increase by showing the impact of a \$100,000 home, as required under PTELL for a referendum ballot measure.

Director of Finance & Administration Dylak mentioned that the District's circumstances are different than the recently successful Cook County Forest Preserve referendum, in that their referendum resulted in a net tax increase. Whereas the District's

total tax bill is estimated to decrease by almost 60% in 2026 and if the District is able to increase the PTELL Levy through a successful referendum, there would still be an overall substantial net tax savings to the taxpayer. The realization of a net tax savings is dependent upon any referendum approved increase being realized in levy year 2026, when the debt service levy falls from \$14.1 million to \$0.00.

Executive Director Kessler summarized why the District has a unique opportunity with the debt being paid off and would address the District's maintenance needs.

Executive Director Kessler went over the finance/research meeting schedule from the past few months with a suggested communications strategy meeting schedule for 2023.

President Cook asked for a consensus from the Board on how best to move forward with the beginning stages of going for the PTELL Levy, the Board concurred to proceed with the next step in the process.

6.0 PUBLIC COMMENTS II

President Cook asked for any public comments. There were no public comments.

7.0 ADJOURN

At 6:18 p.m., a motion was made by Vice President Dahm, seconded by Treasurer Fritz, that the meeting be adjourned. A roll call vote gave the following results: Everard-yes, Dahm-yes, Thomas-yes, Zimmerman-yes, Fritz-yes, Gaytan-yes, and Cook-yes.

Motion passed unanimously. Meeting adjourned at 6:18 p.m., November 14, 2022.

Respectfully submitted,



Linda Thomas, Secretary



Date