



**MEETING MINUTES
OSWEGOLAND PARK DISTRICT
FINANCE COMMITTEE MEETING
DECEMBER 6, 2011**

Convening the Meeting

The Oswegoland Park District Board of Park Commissioners Finance Committee met on the above date, at Prairie Point, 313 E. Washington St., Oswego, Illinois.

President Bob Mattingly called the meeting to order at 2:01 p.m.

Commissioners Kruse, Mattingly, Wass and White were physically present. Commissioner Ebersole was absent.

Staff in attendance included: Bill McAdam, Rich Zielke, Cindy Benson, and Nancy Woods.

Lyle Rolfe, reporter for the Ledger-Sentinel was also in attendance.

Budget Review

In response to Wass's question regarding the implementation of the Park District's new logo, McAdam responded by informing Commissioners that the District plans to eliminate cost for implementation of the new logo. The new logo was purchased for \$695, but the District will just phase the new logo in as items need to be reordered and/or replaced.

Wass shared his concern that he does not believe the District has done any serious cost reduction. Mattingly and Zielke responded that this was done three years ago, and costs continue to be cut each year.

White asked about looking at marginal items to cut, specifically those programs offered by the District that puts them in competition with the private sector. Mattingly commented that the District continues to try to find a balance, noting that some residents are able to take part in such programs through the District as they are offered at a lower cost than by the private sector. In addition, Mattingly added that the District's perspective on programming is different than that of the private business sector's perspective. McAdam added that the Strategic Plan could assist with addressing the community's needs in regards to programs.

Wass asked that the Park District set a voluntary goal to achieve a 10% cost reduction of the final approved 2012 budget. Wass also offered his assistance in helping the District accomplish this.

Wass and White both asked about their being no cost to employees for their medical and dental insurance premiums. McAdam noted that the Board has the opportunity to see real costs for the first quarter of the new fiscal year before reviewing staff salaries, as staff salaries and benefits do not renew until May 1 of each fiscal year. In addition, McAdam shared that staff's wages were frozen three years ago and were only increased by 1-1/2% the last two years, excluding his salary. McAdam suggested the Board take a look at salaries, all encompassing, at a later date. Mattingly agreed that the Board should continue to look at this as the District moves through the first three months of the new fiscal year.

White added that he met with staff regarding purchasing and he believed the meeting went well and was productive.

McAdam agreed that the District needs to do a better job tracking cost savings and will continue to look for more ways to save money, as well as provide updates to the Board with this information.

Zielke provided Commissioners with the proposed tentative budget for fiscal year 2012, noting that the new proposed levy amount was used in these figures. McAdam added that staff will be looking for the Board to approve a tentative budget at the December board meeting, but then the Board will have three months (March board meeting) to approve the final budget. Zielke also noted that he will continue adjusting the tentative budget numbers as final invoices are received through January.

The tentative budget for fiscal year 2012 that Zielke distributed included the tentative budget detail, fiscal year 2010 fund balances, fiscal year 2011 fund balances as of December 5, 2011, and the fiscal year 2012 tentative budget summary.

Wass asked McAdam to explain the FVSRA expense amount. McAdam responded that the District is required by ADA (Americans with Disabilities Act) to provide inclusion aids for those with disabilities that wish to participate in our programs. McAdam also confirmed that FVSRA froze their membership contribution for 2012.

McAdam and Zielke also confirmed that the final budget will show everything balanced. Zielke noted that as of December 5, 2011, the District is showing revenues over expenditures of \$4,090,449. Zielke also added that bond sale money is not included. McAdam asked Woods and Zielke to track the three year bond roll as it gets lost within the budget numbers.

Mattingly asked that if Commissioners have additional questions regarding the tentative budget for fiscal year 2012 to contact McAdam.

Wass initiated a conversation regarding the temperature control in the server storage room at Prairie Point. Zielke responded that changes made seem to be working effectively to maintain the temperature. White suggested the District look at budgeting for a gas generator to serve as a back-up as currently there is only a battery back-up.

Levy

Mattingly shared that he had asked staff to look into finding a way to levy the same amount as last year, based on the economy and concerns voiced at the last board meeting and throughout the community.

Woods shared that at the November 17, 2011 board meeting, staff were proposed to levy \$5,670,914. However, staff is now proposing to levy \$5,465,844. Woods explained that levy amount is a dollar amount and not a rate. That although the new proposed levy amount is the same last year, the actual rate goes up to 0.4075 because the estimated EAV went down approximately 6%. Woods added that approximately 95% of the District's residents are within Kendall County and approximately 5% are within Will County.

Wass asked to run numbers, using the sample tax bill used at the last board meeting, with this new levy amount. Krase refigured the tax bill that was used as an example at the last board meeting, noting this example applies to a \$250,000 home (FMV). Originally the proposed levy amount would have been a \$12.56 increase. The new proposed levy amount would now only be a \$1.17 increase. Wass asked what the District would need to do to show no increase. This is hard to do because homes have different values. Even by showing no increase on this home used in this example, a \$500,000 home would still show an increase. All tax bills are different. Woods added that the new proposed levy amount is \$150,779 less than what the estimated EAV shows.

Mattingly reminded Commissioners that if the Board chooses to cut down on the amount we are asking for, then the District may never get that money back in the future.

Woods added that the 2011 Levy Information handout she provided Commissioners explains the proposed levy amount calculations for each fund, noting allocations were limited to only three funds (Audit, Unemployment, and Worker's Comp).

Commissioners present were okay with the new proposed levy amount, and all thanked Woods for her work on refiguring the proposed levy amount.

Capital and Winrock Bonds

Mattingly called for a BINA Hearing on Wednesday, December 28, 2011, at 5:30 p.m. at South Point. Currently, \$1.8 million in bonds is proposed for Capital and \$4 million for Winrock bonds.

McAdam shared that the District did apply for a grant for Winrock but did not receive it. McAdam added that the use at Winrock is currently maxed as it is heavily used for swim lessons and swim team and it is now at the end of its life cycle. McAdam also shared that the District is able to spend less than the proposed amounts for Capital and Winrock bonds.

In addition, McAdam recommended the Board interview a number of contractors and architects for the Winrock project. McAdam noted he would anticipate this process to take a year, suggesting possibly breaking ground in the fall and build through the winter.

In response to Wass's question, McAdam confirmed that bonds do not create any change to an individual's tax bill.

Woods added that the District is currently at the end of the last three year roll (December 31, 2011), and therefore, staff is asking the Board to look at doing another three year roll.

In response to Wass's question regarding how costs for Winrock were determined, McAdam shared that an architect drew up a plan when we applied for the grant. This plan was estimated at \$3.6 million, but was done over a year ago. This plan included remodeling the existing building, rebuilding the pool, and expanding the parking lot.

McAdam informed Commissioners that if the Board decides to sell, bonds would be sold at the January 31, 2012, board meeting.

Adjournment

The meeting adjourned at 3:57 p.m. following a motion by Commissioner Wass and seconded by Commissioner Krase.

Roll Call:	Ayes	Commissioners Krase, Mattingly, Wass, and White
	Nays	0
	Abstain	0
	Absent	Commissioners Ebersole

Approved:



Cindy Benson, Board Secretary
December 20, 2011