

TEN-YEAR CAPITAL IMPROVEMENT PLAN (CIP)

The District’s Capital Improvement Plan (CIP) was developed to enhance the prioritization of projects based on criteria that identifies cost-effective improvements in alignment with the District’s mission. The approved CIP is a rolling ten-year plan, updated annually, and is used to identify and coordinate funding requirements for improvement needs.

Capital improvement projects totaling \$5.9 million are included in this year’s capital budget. Funding for projects comes from bond proceeds, the Development Levy fund, easements, and donations.

Highlights are:

- \$2.0 million included for capital maintenance of existing infrastructure
- 1.8 million set aside for habitat restoration efforts.
- 2.1 million for preserve or public access improvements.

Lake County Forest Preserves Mission:

“To preserve a dynamic and unique system of natural and cultural resources, and to develop innovative educational, recreational and cultural opportunities of regional value, while exercising environmental and fiscal responsibility.”



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BUDGET OVERVIEW AND HIGHLIGHTS

The 18/19 debt service property tax budget is going up by \$10,291,170 or 42.1%. This is below the 50% mark because the 2018 tax levy, part of this 18-month budget will go down by \$977,364. This is the result of the refinancing completed during the previous fiscal year. The savings of the refunding had a present value of \$9.4 million.

The Lake County Forest Preserve District is one of very few forest preserve districts rated AAA by Standard & Poor’s. If all recreation districts are considered, we are also one of a handful in the nation rated AAA, out of a total of 250 ratings.

Total property tax revenue budgeted is \$70,752,960, an increase of \$22.38 million (46.3%) from the FY 2017/18 budget of \$48,369,810. This is due to the 18 month budget. The 2018 property tax levy is estimated to be \$11,488,308 (19.0%) below the 2009 levy. The 2018 tax levy is also projected to be \$360,948 below the 2017 tax levy.

The total FY 2018/19 budget for the Forest Preserve District is \$112,646,415. The Operating Budget is \$49,584,840 (44%), Debt Service is \$51,324,700 (46%) and the Capital Budget is \$11,736,875 (10%).

Comparing the FY 2017/18 and FY 2018/19 Operating Budgets, the overall Operating expenditures (excluding debt service) are up by \$16.6 million (50.4%). The increase is a result of additional expenditures for meeting our strategic goals, operating and safety needs and the 18-month budget.

Operating Revenues for FY 2018/19 are budgeted at \$88,643,551 compared to \$60,101,750 in FY 2017/18. The decline in revenue (47.2% vs 50%) is due to several things besides the tax levy decline. Last year the State of Illinois reduced the amount of replacement tax that the District received. The threat of further reductions still exists. Because of that the District has conservatively reduced the expected amount of replacement tax in the 2018/19 budget. Land and building rental income will also go down in the new budget as a result of an expiration of a lease on a commercial building that the District owns. The building and lease were on property that the District had acquired as an addition to the Nippersink Forest Preserve. The expiration of the lease and loss of income were planned at the time of the acquisition. In addition the District has been reducing the amount of housing it rents. As properties have been purchased, existing homes on the property have been rented out. Due to the cost of maintenance, these homes have gradually been demolished resulting in lower revenues.

Staffing

The position inventory increased by 1.23 to 268.75 full time equivalent (FTE) staff. There are 9 positions being eliminated (2 full-time, 8 part-time) and 6 full time positions added in order to put the staffing resources where they are most needed to implement the District’s Strategic Plan goals.

Accomplishments:

The District continues its efforts to maintain and care for existing facilities that serve an estimated three million visitors a year, including: more than 203 miles of trails, 33 picnic shelters, nine playgrounds, nine canoe launches, four dog exercise areas, four golf courses, three youth camp areas, the Greenbelt Cultural Center, Independence Grove Forest Preserve, the Bess Bower Dunn Museum of Lake County and the Edward L. Ryerson Woods Conservation Area Welcome Center, along with numerous other smaller amenities.

The Lake County Forest Preserves added a total of more than four acres at several locations. The new lands provide valuable additions to existing preserves and improved trail connections. Bringing the District’s total acreage to 30, 856.

Habitat Restoration

Active management and restoration of natural areas within the forest preserves:

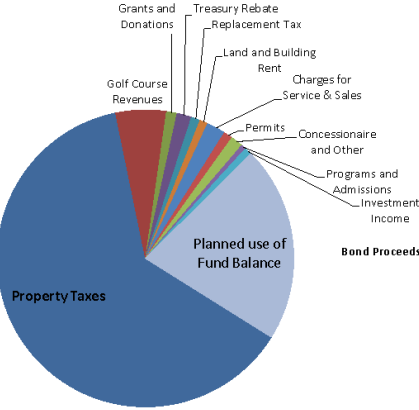
- Controlled burning of 3,355 acres
- Seeding of 179 acres of native seed in seven preserves
- Planting of 3,723 trees and shrubs on four preserves
- Enhancing fisheries in 10 lakes, including stocking of 10,410 fish at five preserves
- Volunteers providing 11,987 service hours in 1,103 natural resource restoration workdays and ecological monitoring projects
- 19,000 native plants installed at 2 preserves
- Collecting of 572 pounds of seed from 237 native plant species by the native seed nursery staff and volunteers for use in restoration projects and propagation. The estimated value of the harvest is over \$301,000.
- Clearing of 642 acres of invasive woody plants from 11 preserves.
- 5,217 acres of herbaceous invasive plant control of 16 invasive plant species at 35 preserves
- Drain tile investigations, hydrological studies, and wetland permitting at 3 preserves totaling more than 450 acres
- Awarded four grants totaling \$2,149,845

WHERE REVENUE DOLLARS COME FROM

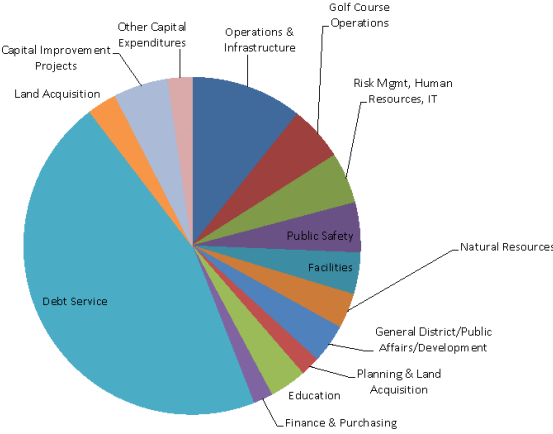
Revenues	FY 17/18 (mill)	FY 18/19 (mill)	%
Property Taxes	\$48.4	\$70.8	62.9%
Golf Course Revenues	3.9	6.2	5.5%
Grants and Donations	0.7	1.3	1.2%
Treasury Rebate	1.2	1.8	1.6%
Replacement Tax	0.9	1.1	1.0%
Land and Building Rent	0.8	1.0	0.9%
Charges for Service & Sales	1.4	2.3	2.0%
Permits	0.7	1.1	1.0%
Concessionaire and Other	1.2	1.5	1.3%
Programs and Admissions	0.3	0.6	0.5%
Investment Income	0.6	0.9	0.8%
Bond Proceeds	0.0	0.0	0.0%
Planned use of Fund Balance	31.6	24.0	21.3%
Total Revenues	\$91.7	\$112.6	100%

HOW EACH DOLLAR IS SPENT

Budget by Program	FY 17/18 Amount (mill)	FY 18/19 Amount (mill)	%
Operations & Infrastructure	\$8.3	\$12.1	24%
Golf Course Operations	3.9	5.9	12%
Risk Mgmt, Human Resources, IT	3.4	5.5	11%
Public Safety	3.3	5.4	11%
Facilities	2.8	4.5	9%
Natural Resources	2.8	3.8	8%
General District/Public Affairs/Development	3.2	4.2	8%
Planning & Land Acquisition	1.5	2.1	4%
Education	2.6	4.0	8%
Finance & Purchasing	1.2	2.1	4%
Subtotal Operating Expenditures	\$33.0	\$49.6	100%
Debt Service	25.9	51.3	
Total Operating Expenditures	\$58.9	\$100.9	
Land Acquisition	3.3	3.2	27%
Capital Improvement Projects	26.8	5.9	50%
Other Capital Expenditures	2.8	2.6	22%
Total Capital Expenditures	\$32.9	\$11.7	100%
Total Expenditures	\$91.8	\$112.6	



Sources of Revenues



Expenses by Program

Fund Balance Summary
For Fiscal Year Ending December 31, 2019

	Estimated Fund Balance 06/30/18	Revenues FY 2018/19	Transfers FY 2018/19	Operating Budget FY 2018/19	Capital Budget FY 2018/19	Estimated Fund Balance 12/31/2019	Board Policy Fund Balance Goal 12/31/19
General Corporate	\$20,730,488	\$27,405,430	(\$200,000)	\$27,763,050	\$249,430	\$19,923,438	\$13,881,525
Insurance	1,924,299	1,274,960	0	2,016,130	100,000	1,083,129	1,000,000
Audit	137,473	185,300	0	250,360	5,800	66,613	N/A
Retirement - IMRF/FICA	1,104,150	3,975,380	0	3,972,020	0	1,107,510	900,000
Land Development Levy	7,948,892	9,183,550	0	8,729,720	3,226,600	5,176,122	3,055,402
Wetlands Management Fund	582,526	15,000	0	0	0	597,526	N/A
Fort Sheridan Cemetary Fund	320,596	4,000	0	26,300	15,000	283,296	N/A
Farmland Management Fund	292,922	690,916	0	782,160	0	201,678	N/A
Tree Replacement Fund	177,218	3,000	0	0	0	180,218	N/A
Donations and Grants	282,906	917,985	0	225,940	699,665	275,286	N/A
Debt Service	17,226,687	36,653,380	0	50,891,200	0	2,988,867	N/A
Land Acquisition	3,272,544	21,000	0	5,000	3,229,000	59,544	N/A
Easements & Special Projects	1,870,708	56,000	0	10,000	626,950	1,289,758	N/A
Land Preparation	919,235	61,080	0	100,000	0	880,315	N/A
Development Bond & Capital Projects	1,430,430	25,000	0	0	1,455,430	0	N/A
Capital Facilities Improvement	2,125,974	60,000	200,000	0	0	2,385,974	N/A
Enterprise	1,603,246	6,302,520	0	5,919,870	257,700	1,728,196	2,071,955
Vehicle Replacement	3,472,945	859,790	0	0	981,500	3,351,235	N/A
Information Technology Replacement	1,302,932	358,460	0	217,790	226,300	1,217,302	N/A
Equipment Replacement	2,596,901	589,700	0	0	663,500	2,523,101	N/A
TOTAL	\$69,494,716	\$88,642,451	\$0	\$100,909,540	\$11,736,875	\$45,319,108	

Total FY 2018/19 Budget **\$112,646,415**

Short and Long Term Issues

- EAVs stabilized in 2015, grew by 6.25% in 2016 and by 4.43 in 2017. Future EAV growth is expected at a slower pace going forward.
- The District tax rate limit of .060 in the General Corporate Fund was reached in 2012.
- The State Property Tax Extension Limitation law will have a limiting effect on tax levy growth even with increasing property values. This will put pressure on operating expenses for the next several years.
- Conservative long term financial planning will monitor revenues and projected expenses on a rolling ten year basis. The General Corporate Fund projections show a balanced budget and meet the reserve fund balance policy for the next ten years.
- The District has taken action to control and reduce costs, will carefully consider any new programs or staff before committing resources, analyze new revenue sources, reduce or eliminate maintenance intensive design features in new master plans, land bank new acquisitions for the foreseeable future, and use our staff's experience to maximize efficiencies while minimizing impacts to our core mission.
- Staff levels have been reduced by 11% since 2009 while the District's total acres have increased from 27,618 to over 30,865 acres.
- Future development of District lands will have to be made with consideration of the impact on operating expenses.