



LAKE COUNTY FOREST PRESERVES
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Preservation, Restoration, Education and Recreation

DATE: February 6, 2017

MEMO TO: Craig Taylor, Chair
Operations Committee

S. Michael Rummel, Chair
Finance Committee

FROM: Alex Ty Kovach
Executive Director

RECOMMENDATION: Recommend approval of an Ordinance amending (i) the FY 2017 budget, to increase expenditures in FY 2017 not to exceed \$350,000 to allow for development and construction of new exhibitions as part of the Museum Relocation Project with funding from the Museum Relocation Fund and (ii) the Ten-Year Capital Improvement Plan to reflect such funding.

STRATEGIC DIRECTIONS SUPPORTED: Communication, Education and Outreach;
Public Access and Connections

FINANCIAL DATA: An amount not to exceed \$350,000 from the Museum Grant Fund will be used for the construction of the new Museum exhibitions. Funds will be spent from account 70414100-803200-61811.

BACKGROUND: When the District purchased the General Offices building in 2010, it did so with the intent of using the building for General Office and also for the relocated Lake County Discovery Museum. A budget of \$3.75 million was allocated for building infrastructure improvements and the museum relocation which included construction of a collections storage facility in the basement of the General Offices, new exhibitions, a classroom, a research center and a museum store on the first floor. This budget included, as revenue, a \$750,000 grant awarded through the State of Illinois Public Museum Capital Grants Program in 2014 and monies from the General, Capital Improvement Plan and Museum Grant Funds.

In an attempt to minimize use of the Museum Grant Fund portion of the budget, staff examined the project scope to identify efficiencies that reduced the infrastructure improvements without compromising the project. If implemented, these efficiencies would reduce the overall budget required to complete the project and yet have funds available in the Museum Grant Fund as a reserve to complete the construction of the exhibitions, should the need arise.

In March 2015, the District received notification that the Illinois Public Museum Capital Grant had been suspended due to ongoing State budget struggles. The District initiated scope reductions at that point and assigned a budget of \$1.6 million from the General Fund and Capital Improvement Fund, preserving the monies in the Museum Grant Fund.

Construction of the collections care facility began in winter 2015-16 and continues to progress. Completion is expected in late summer 2017.

As the project has progressed and true costs for project components have been inserted into the project budget, there is a gap in the funding needed to complete the new Museum exhibitions. Exhibition concepts were endorsed by the Education, Cultural Resources and Public Affairs Committee in October 2016.

The District maintains the Museum Grant Fund with a balance of approximately \$485,431. Monies in this fund include funds remaining from a successful capital campaign in 2000 as well as undesignated Museum donations received by the District.

Staff recommends amending the Fiscal 2016-17 budget to allow the use of funding, not to exceed \$350,000, from the Museum Grant Fund to complete the development and construction of the new Museum exhibitions.

REVIEW BY OTHERS: Chief Operations Officer, Director of Finance, Director of Education, Superintendent of Educational Facilities, Chief Development Officer, Corporate Counsel.

STATE OF ILLINOIS)
) SS
COUNTY OF LAKE)

**BOARD OF COMMISSIONERS
LAKE COUNTY FOREST PRESERVE DISTRICT
REGULAR FEBRUARY MEETING
FEBRUARY 14, 2017**

MADAM PRESIDENT AND MEMBERS OF THE BOARD OF COMMISSIONERS:

Your **OPERATIONS COMMITTEE** and **FINANCE COMMITTEE** present herewith "An Ordinance Amending the Fiscal Year 2016/17 Budget and Ten-Year Capital Improvement Plan to increase Current Funding for the Museum Relocation Project," and request its approval.

OPERATIONS COMMITTEE:

Date: 2/6/17 Roll Call Vote: Ayes: ___ Nays: ___
 Voice Vote Majority Ayes; Nays: 0 -

FINANCE COMMITTEE:

Date: _____ Roll Call Vote: Ayes: ___ Nays: ___
 Voice Vote Majority Ayes; Nays: ___

**LAKE COUNTY FOREST PRESERVE DISTRICT
LAKE COUNTY, ILLINOIS**

**AN ORDINANCE AMENDING THE FISCAL YEAR 2016/17 BUDGET AND
TEN-YEAR CAPITAL IMPROVEMENT PLAN TO INCREASE CURRENT FUNDING
FOR THE MUSEUM RELOCATION PROJECT**

WHEREAS, on March 8, 2016, the Lake County Forest Preserve District (“District”) Board of Commissioners approved the District’s Ten-Year Capital Improvement Plan (“CIP”), which includes funding for the Museum Relocation Project (“Project”) in the amount of \$1,647,005; and

WHEREAS, on May 10, 2016 the District Board of Commissioners approved the Fiscal Year 2016/2017 Budget (“Budget”), which includes expenditures of \$1,647,005 for the Project; and

WHEREAS, the District maintains a Museum Grant Fund (“Fund”), a fund which can only be used on museum collections related projects; and

WHEREAS, to appropriate sufficient funds for the completion of the Project, it is in the best interest of the District to (i) amend the Budget to transfer funds from the Endowment and increase expenditures for the Project in fiscal year 2016/17 by \$350,000, for purposes of furthering the Project and (ii) amend the CIP to reflect such increase;

NOW, THEREFORE, BE IT ORDAINED by the Board of Commissioners of the Lake County Forest Preserve District, Lake County, Illinois THAT:

Section 1. Recitals. The recitals set forth above are incorporated as part of this Ordinance by this reference.

Section 2. Amendment of Budget. The Museum Grant Fund section of the Budget (at page 176) is hereby amended by adding an expense line for “Capital Outlay” and by changing the line items titled “Total Operating Expenditures,” “Revenues Excess (Deficit) Over Expenditures,” “Beginning Fund Balance,” and “Ending Fund Balance” so that they read as follows:

	2013/14 Actual	2014/15 Actual	2015/16 Budget	2015/16 Estimate	2016/17 Request
Capital Outlay	0	0	0	0	\$350,000
Total Operating Expenses	94,255	225,811	131,336	45,570	373,240
Revenue Excess (Deficit) Over Expenditures	(46,199)	(179,907)	(104,466)	(13,760)	(346,870)
Beginning Fund Balance	1,394,872	1,348,673	1,150,989	1,168,766	1,155,006
Ending Fund Balance	\$1,348,673	\$1,168,766	\$1,046,523	\$1,155,006	\$805,006

The second "Key Objective" of the Museum Grant Fund (page 175 of the Budget) is hereby amended so that it reads as follows:

- Spend approximately \$350,000 out of the Museum Grant Fund for the build out of the new Museum exhibitions.

Section 3. Amendment of the CIP. The Executive Director is hereby authorized and directed to amend the CIP by adding \$350,000 to line item 61811 titled "General Offices – Build Out/Misc. Infrastructure" for Fiscal Year 2016/17 and by making any other amendments that are necessary or appropriate to reflect the amendment in Section 2 of this Ordinance.

Section 4. Effective Date. This Ordinance shall be in full force and effect from and after its passage and approval in the manner provided by law.

PASSED this _____ day of _____, 2017

AYES:

NAYS:

APPROVED this _____ day of _____, 2017

Ann B. Maine, President
Lake County Forest Preserve District

ATTEST:

Julie Gragnani, Secretary
Lake County Forest Preserve District

Exhibit No. _____