



2017 Budget Recommendation Address for President Toni Preckwinkle

October 25, 2016

Good morning

I would like to welcome members of the public as well as our Next Century Conservation Plan Council members, partner organizations and volunteers.

I also want to thank members of the Forest Preserves staff who work hard on a daily basis caring for our protected open space and connecting all of our Cook County residents to this precious natural resource.

The residents of Cook County are the benefactors of nearly 70,000 acres of managed open space. Cook County is the most ecologically diverse county in the state. The Forest Preserves are crucial to our quality of life and the survival of plant and animal species dwelling in the native habitats of the Preserves.

This year's recommendation helps us continue to fulfill our mission and responsibility to the land in our trust.

In recent years, we have continued to increase the awareness and use of our Forest Preserves with capital investments, stronger partnerships, community engagement and the implementation of an aggressive restoration plan. All of this is guided by our Next Century Conservation Plan which lays out an ambitious long-range vision for the Preserves.

The goals of the Next Century Conservation Plan are integrated into all aspects of our budgeting process. Specifically, in 2017 we will work to:

- Restore and protect our Preserves and its plants and animals
- Provide well-maintained and accessible buildings and trails



- Expand educational and recreational opportunities to diverse and underserved communities, and
- Manage with excellence, transparency and sound financial practices

Since the implementation of the Next Century Conservation Plan in 2015, we have made significant improvements in to the Forest Preserves through capital investments, expanded volunteerism, and by helping individuals and families of all backgrounds make life-long connections to nature and the outdoors.

Together, with the help of many of you here today, we have opened five campgrounds, as well as the new activity barn with a climbing wall at Camp Sullivan in Oak Forest.

We improved the already popular Swallow Cliff, by adding a new set of stairs to create a completed loop for fitness enthusiasts, and a beautiful new environmentally friendly pavilion.

We built an accessible entrance at our headquarters in River Forest and completed a master plan for Accessibility County-wide.

We opened a visitor's center at Dan Ryan Woods, and are set to open the Welcome Center at Rolling Knolls which is near completion.

We also made enhancements to sites such as the Oak Forest Heritage Preserve. This site includes a 1.7-mile loop trail. This new trail offers bikers and runners, a place where they can be surrounded by nature while improving their health and well being.

Interpretive signs, which highlight the important cultural history often found in our Forest Preserves, are an added feature to the Oak Forest Heritage Preserve site.

As a former history teacher, I was fascinated to learn that the first recorded Native American Village in our region exists within the Oak Forest Preserve.



The interpretive signs also serve as a memorial to many of the County's poorest residents who were buried next to Oak Forest Hospital many years ago.

Our cultural history is just as important to preserve and protect as our natural resources.

With the release of our Natural and Cultural Resources Master Plan in 2015, Forest Preserves staff members are working with the Illinois State Archaeological Survey to find and document important artifacts for historical preservation.

Additional miles of trail have been added to the already popular North Branch trail, which now extends an additional two miles south into Chicago, connecting more residents to the existing trail which touches 8 suburbs and serves as a Gateway to the Botanic Garden.

Phase 2 of this extension will be completed by the end of this year and will add an additional 1.2 miles to the North Branch Trail.

As many of you know, trails are one of the most popular Forest Preserve amenities. Across the County we have more than 300 miles of trail.

Since the release of our Recreational Master Plan in 2013, the Forest Preserves has been building trails at a rapid pace, with 16 percent of the entire system being built in the last two years.

While we have expanded our most popular attractions, this year we also reached new and adventurous audiences.

Since opening in June, our new 40-foot tree top adventure course and zip lines at Bemis Woods in Western Springs have welcomed nearly 8,000 visitors. This kind of amenity is new to the Forest Preserves and we are glad to find new and exciting ways to introduce visitors — especially young people — to nature.



This year, with the help of 17 partner organizations, we also introduced the “Bird the Preserves” initiative, which promotes the Forest Preserves as a premiere birding destination. More than 1,000 people were attracted to birding events across the County.

Our Conservation and Experiential Programming Department has hosted hundreds of events each season — not only at our six Nature Centers, but also at preserves across the County, connecting families, groups and diverse audiences to nature.

Finally, thanks to hundreds of dedicated volunteer we have logged more than 60,000 volunteer hours at sites across the county in order to remove invasive species and revitalize the natural habitat. These natural areas are crucial to the survival of many endangered plants and wildlife species, many of which only exist within the Forest Preserves of Cook County.

As we enter 2017, we will use this momentum to support mission of the Forest Preserves.

Today, I am presenting a balanced budget and requesting total appropriation authority of \$192 million—an approximate \$2.2 million increase over last year, which comprises the projected increase in revenue from the Brookfield Zoo and the Chicago Botanic Garden Our day-to-day operating budget remains consistent with last year, including the funding for the Zoo and Garden which will continue at the current levels of \$14.9 million and \$9.3 million respectively.

The 2017 budget *avoids* service reductions and layoffs and does not rely on Reserve Funds to pay for day-to-day operational expenses.

Reserve Funds will however be put to use for restoration efforts in the amount of \$3.9 million. This amount remains the single largest line-item in the FPCC’s budget and advances our goal to restore 30,000 acres in 25 years.



While this remains our largest expense, many of you will notice this reflects a \$2.1 million reduction towards restoration compared to 2016.

Our mission of restoring native habitat remains our top priority, but in an effort to be financially responsible with less funding, we have made the decision to reduce expenditures related to land management.

Despite this reduction, our commitment to restoration remains a top priority. The critical work will continue, especially to restore and maintain top quality parcels of land.

Reducing the amount of money for land management means we must work harder to boost volunteer efforts and seek partnerships which will help us continue at a pace where we can reach our restoration goals.

One prime example is the Conservation Corp. This revitalized paid internship program was formalized in 2015 as part of the Next Century Conservation Plan. The Conservation Corp connects youth to volunteer programs that help the Forest Preserves restore acreage while also providing participants conservation experience and job readiness skills. I want to thank the Friends of the Forest Preserve, our long-time partner, who helped support this initiative.

Partnerships are key to our success. That is why the Forest Preserves is committed to continuing our support of the Brookfield Zoo and Chicago Botanic Garden. Both of these world-class institutions offer tremendous benefits to the residents of Cook County.

Like government at every level, the Forest Preserve District is faced with fiscal challenges. Overall, our expenses are increasing and our revenue is decreasing.

The main increase to our expenses is due to the cost-of-living adjustments included in collective bargaining agreements, totaling about \$1.6 million.

We are also faced with an estimated \$988,000 dollar loss in declining Personal Property Replacement Tax. PPRT primarily operates as an additional corporate income tax on businesses that is collected by the State and then fully disbursed to local governments.



Due to a misallocation of disbursements by the State of Illinois, the FPCC and other government agencies must pay back portions of the PPRT tax received in prior years; furthermore, FPCC will receive reduced PPRT funding in future years. In 2017 this results in a \$1.3 million loss of revenue. These factors created a \$2.6 million dollar budget gap for 2017.

In order to bridge this gap we are, first and foremost, calling for a 12 percent reduction in non-personnel expenses. This includes right-sizing our fleet; reducing landlines; limiting print promotions and collateral materials; and outsourcing the operations of various programs such as our Aquatic Centers. Additional reductions come from training budgets, busing and professional services contracts.

These measures are designed to minimize the impact to our programs and services, while maintaining top-quality experiences for our visitors.

An additional \$730,000 dollars will come from the corporate tax levy. While the percentage allocated to the Forest Preserves will remain the same on individual property tax bills, our revenue will grow due by capturing new development and from the natural growth due to the rate of inflation. TIF money will also generate an additional \$100,000.

These measures help us address the challenges for 2017, but additional steps must be taken in order to create a better financial environment for the coming years.

Property tax revenues remain the primary source of revenue to the Forest Preserves. We understand it is important to diversify our revenue streams and look for additional non-tax dollar resources.

We are looking to our new programming, such as camping, the climbing wall and zip lines, to help generate funding. We are also working with the Forest Preserve



Foundation to identify additional potential grant opportunities from state, federal and private organizations.

We also need to address our permits, concessions and rental fees.

While we want families to take full advantage of the nearly 70,000 acres of open space, the Forest Preserves is subsidizing the costs associated with many of the private events hosted on our property.

Our Permit and Concessions Master Plan analyzed the cost of private events and programs and recommended guidelines for cost recovery. Put simply, the study shows that there are several areas where we are actually losing money on permitted events. In fact, we're recovering less than half — only 48% — of our costs related to the private and exclusive activities that take place in the Forest Preserves.

In response, the Forest Preserves is moving to take additional action in 2017 to recover costs. Today, I am presenting a plan to update user fees for the consideration of the Board of Commissioners.

These updated fees are the first step in moving toward a sustainable cost recovery model that will allow us to recoup a larger share of the cost for providing these services and additional non-tax funding sources in the future.

In order to better align with our costs, we are making some specific changes to our permits, rental and concessions fees, to better reflect peak and off-peak pricing; large group events based with high attendance levels; and the administrative costs for special event and facility rentals. There will also be slight increases for recreational activities such as golf, camping, the zipline course, boating and equestrian services.

We are introducing a 10% premium for non-residents; however, non-profit organizations will continue to receive a 50 percent discount on base permit charges with proper documentation.



This is the kind of fiscal stewardship that will leave us better able to address the ongoing under funding of our pensions.

Updated user fees are anticipated to generate up to \$300,000. Assuming expenditures do not exceed revenue in the coming years, additional revenue received from these increased user fees will lower the amount needed to be transferred from reserves for landscape restoration.

The Forest Preserves must take responsible actions now to make sure public funds are used to fulfill our mission of protecting nature.

I'm grateful to General Superintendent Arnold Randall for his tireless stewardship. He continually works to find ways to make our operations more effective and efficient without losing sight of our mission and our commitment to our residents.

This is already being done through aligning our departmental Performance Metrics with our Next Century Conservation Plan goals.

Most important we are continuing to build a community of support around the value the Forest Preserves bring to each and every person who lives in Cook County.

The Forest Preserves offer unlimited opportunity for people to connect with nature, improve their health and well being, and bond with their families and loved ones. The Preserves also serve as an economic engine for many businesses in Cook County; they are a popular regional attraction and sustain the life of important eco-systems.

I thank you for the opportunity to present the 2017 Budget which is designed to make the Forest Preserves a global leader in urban conservation.