

REVISED
FINANCE
COMMITTEE AGENDA

Called by: John Butitta, Chairman
Members: Jean Crosby, Joe Hoffman, Keith McDonald, Jaime Salgado, John F. Sweeney, Michael Thompson

DATE: THURSDAY, MAY 4, 2023
TIME: IMMEDIATELY FOLLOWING OPERATIONS & ADMINISTRATIVE COMMITTEE
LOCATION: ROOM 303
COUNTY ADMINISTRATION BLDG
404 ELM STREET
ROCKFORD, IL 61101

AGENDA:

- A. Call to Order
- B. Roll Call
- C. Approval of April 6, 2023 Minutes
- D. Public Comment – This is the time we invite the public to address the Finance Committee with issues and concerns. We ask you to limit your comments to three minutes. Personal attacks or inappropriate language of any sort will not be tolerated. We will allow a maximum of five speakers on a first come basis with sign up at the meeting. Speakers may not address zoning matters which are pending before the ZBA, the Zoning Committee or the County Board. Personnel matters or pending or threatened litigation may not be addressed in open session. An individual may speak a maximum of three times per calendar year on the same topic. This prohibition shall include the repetition of the same topic in a statement on what is purported to be a different topic. After acknowledgement by the chair, please stand and state your name. Thank you.
- E. Ordinance for a Budget Amendment for a Contract Licensed MDS Coordinator, and Additional Business Office Employee
- F. Ordinance for a Budget Amendment to Prepay Stillman Bank Debt Certificate
- G. Resolution Adopting the Fiscal Year 2024 Budget Policy
- H. Resolution to Approve Payment of Stipends to the Regional Superintendent and Assistant Regional Superintendent of Schools (Boone and Winnebago Counties)
- I. Other Matters
- J. Adjournment

Winnebago County Board
Finance Committee Meeting
County Administration Building
404 Elm Street, Room 303
Rockford, IL 61101

Thursday, April 6, 2023
Immediately Following Operations & Administrative Committee Meeting

Present:

John Butitta, Chairperson
Jaime Salgado, Vice Chairperson
Jean Crosby
Joe Hoffman
Keith McDonald
John F. Sweeney
Michael Thompson

Others Present:

Patrick Thompson, County Administrator
David Rickert, Chief Financial Officer
Lafakeria Vaughn, State's Attorney's Office
Ann Johns, Purchasing Director
Scott Bloomquist, Reg. Supt., Regional Office of Education
Tom Hodges, Supervisor of Assessments
Char LeClercq, State's Attorney Office

AGENDA:

- A. Call to Order
- B. Roll Call
- C. Approval of February 2 and 23, 2023 Minutes
- D. Public Comment – This is the time we invite the public to address the Finance Committee with issues and concerns. We ask you to limit your comments to three minutes. Personal attacks or inappropriate language of any sort will not be tolerated. We will allow a maximum of five speakers on a first come basis with sign up at the meeting. Speakers may not address zoning matters which are pending before the ZBA, the Zoning Committee or the County Board. Personnel matters or pending or threatened litigation may not be addressed in open session. An individual may speak a maximum of three times per calendar year on the same topic. This prohibition shall include the repetition of the same topic in a statement on what is purported to be a different topic. After acknowledgement by the Chairman, please stand and state your name. Thank you.
- E. Discussion Item American Rescue Plan Act (ARPA Phase 4)
- F. Resolution Adopting the Fiscal Year 2024 Budget Policy
- G. Ordinance for a Budget Amendment for A Buyer Position
- H. Resolution Authorizing a Salary Adjustment for the Winnebago County Supervisor of Assessments
- I. Resolution to Approve Payment of Stipends to the Regional Superintendent and Assistant Regional Superintendent of Schools (Boone and Winnebago Counties)
- J. Ordinance for a Budget Amendment for Procurement of Karpel Solutions Case Management System for the State's Attorney's and Public Defender's Offices
- K. Ordinance for Approval of Budget Amendment for Reimbursable Technology Expenditures
- L. Resolution Approving an Agreement between the County of Winnebago and Winnebago Homes Association for Emergency Rental Assistance Program 2 Funds
- M. Resolution Authorizing the Execution of Contracts to Temporarily Extend the Current Cable Television Franchise Agreements
- N. Closed Session to Discuss Pending Litigation
- O. Other Matters
- P. Adjournment

Call to Order

Chairperson Butitta called the meeting to order at 6:50 pm.

Roll Call

Chairperson Butitta yes, Vice Chairperson Salgado yes, Ms. Crosby yes, Mr. Hoffman yes, Mr. McDonald yes, Mr. Sweeney yes, Mr. Thompson yes.

Approval of February 2 and 23, 2023 Minutes

Motion: Ms. Crosby. Second: Mr. Thompson.

Motion passed by unanimous voice vote.

Public Comment

Vice Chairperson Salgado omitted reading the Public Comment Section of the Agenda due to no one present to speak.

Discussion Item American Rescue Plan Act (ARPA Phase 4)

Discussion took place on the American Rescue Plan Act (ARPA Phase 4) List of projects.

Resolution Adopting the Fiscal Year 2024 Budget Policy

Motion: Chairperson Butitta. Second: Ms. Crosby.

Mr. Rickert thanked Molly Terrinoni, Finance Director and Marlena Dokken, Director, Chairman's Office of Criminal Justice Initiatives for their assistance on the policies for the 2024 Budget. Mr. Rickert discussed the Resolution for adopting the fiscal year 2024 Budget policy and procedures and processes for the 2024 budget.

- Discussion followed.

Motion passed by unanimous voice vote.

Ordinance for a Budget Amendment for A Buyer Position

Motion: Chairperson Butitta. Second: Mr. Salgado.

The Ordinance is a budget amendment for a buyer position.

Motion passed by unanimous voice vote.

Resolution Authorizing a Salary Adjustment for the Winnebago County Supervisor of Assessments

Motion: Chairperson Butitta. Second: Mr. Hoffman.

The Resolution is an authorization for a compensation adjustment for the Supervisor of Assessments.

Motion passed by unanimous voice vote.

Resolution to Approve Payment of Stipends to the Regional Superintendent and Assistant Regional Superintendent of Schools (Boone and Winnebago Counties)

Motion: Chairperson Butitta. Second: Mr. Thompson.

The Resolution is to approve payment of stipends to the Regional Superintendent and Assistant Regional Superintendent of Schools for Boone and Winnebago Counties to be effective October 1, 2023 and included in the 2024 Fiscal Year Budget.

- Discussion followed.

Motion passed by unanimous voice vote.

Ordinance for a Budget Amendment for Procurement of Karpel Solutions Case Management System for the State's Attorney's and Public Defender's Offices

Motion: Chairperson Butitta. Second: Mr. McDonald.

The Ordinance is to approve the Case Management software discussed and approved by the Operations and Administrative Committee.

Motion passed by unanimous voice vote.

Ordinance for Approval of Budget Amendment for Reimbursable Technology Expenditures

Motion: Chairperson Butitta. Second: Mr. Hoffman.

The Ordinance is to approve a grant funded technology project in the Circuit Court as a Budget Amendment for Reimbursable Technology expenditures.

Motion passed by unanimous voice vote.

Resolution Approving an Agreement between the County of Winnebago and Winnebago Homes Association for Emergency Rental Assistance Program 2 Funds

Motion: Chairperson Butitta. Second: Mr. Salgado.

The Resolution approves an agreement between the County of Winnebago and Winnebago Homes Association transferring funds from WCERA2 (ERA2) funds to the Emergency Rental Assistance Program.

- Discussion followed.

Motion passed by unanimous voice vote.

Resolution Authorizing the Execution of Contracts to Temporarily Extend the Current Cable Television Franchise Agreements

Motion: Chairperson Butitta. Second: Mr. Thompson.

The Resolution extends the agreements with Comcast and Charter Communications until June 30, 2023.

Motion passed by unanimous voice vote.

Closed Session to Discuss Pending Litigation

Motion: Mr. McDonald. Second: Mr. Salgado.

Roll Call: Chairperson Butitta yes, Vice Chairperson Salgado yes, Ms. Crosby yes, Mr. Hoffman yes, Mr. McDonald yes, Mr. Sweeney yes, Mr. Thompson yes.

Chairperson Butitta: No action was taken in closed session.

Other Matters

Chairperson Butitta called for any other matters to come before the committee. None reported.

Adjournment

Chairperson Butitta called for a motion to adjourn.

Motion: Chairperson Butitta. Second: Mr. Hoffman.

Motion to adjourn passed by unanimous voice vote.

Respectfully submitted,

Nancy Bleile
Administrative Assistant



Ordinance Executive Summary

Prepared By: Mark Lofgren
Committee: Finance Committee
Committee Date: May 4, 2023
Ordinance Title: Ordinance for a Budget Amendment for a Contract Licensed MDS Coordinator, and Additional Business Office Employee
County Code: Not Applicable
Board Meeting Date: May 11, 2023

Budget Information:

Was item budgeted? No	Appropriation Amount: \$49,000
If not, explain funding source:	
ORG/OBJ/Project Code: 70500 /41110 Regular Salaries 74000/43190 Other Professional Services	
FY2023 Budget Impact: \$49,000	

Background Information: Based on an external review of operations by Baker Tilly's (nursing home consultants) and approval of the River Bluff Board of Directors, River Bluff Nursing Home would like to contract with a licensed MDS Nurse and hire an additional accounts receivable clerk. Both requests will maximize billable services and improve the efficiency and percentage of collections.

Recommendation: Approved by River Bluff Board of Directors

Contract/Agreement: Not Applicable

Legal Review: Not Applicable

Follow-Up: River Bluff Board of Directors will monitor revenue progress

2023 Fiscal Year

Finance: May 4, 2023

Lay Over: May 11, 2023

Sponsored by:

Final Vote: May 25, 2023

John Butitta, Finance Committee Chairman

2023 CO

TO: THE HONORABLE BOARD MEMBERS OF THE COUNTY OF WINNEBAGO, ILLINOIS

The Winnebago County Finance Committee presents the following Ordinance amending the Annual Appropriation Ordinance for the fiscal year ending September 30, 2023 and recommends its adoption.

**Ordinance for a Budget Amendment for a Contract Licensed MDS
Coordinator, and Additional Business Office Employee**

WHEREAS, River Bluff Nursing Home would like to increase salary range for the open MDS Coordinator position, and add wages for an additional Reimbursement Specialist position,

WHEREAS, the Winnebago County Board adopted the “Annual Budget and Appropriation Ordinance” for the fiscal year ending September 30, 2023 at its September 29, 2022 meeting; and,

WHEREAS, 55ILCS 5/6-1003(2014), states, “After the adoption of the county budget, no further appropriations shall be made at any other time during such fiscal year, except as provided in this Act. Appropriations in excess of those authorized by the budget in order to meet an immediate emergency may be made at any meeting of the board by a two-thirds vote of all the members constituting such board, the vote to be taken by ayes and nays and entered on the record of the meeting.”

NOW, THEREFORE, BE IT ORDAINED, that the County Board deems that pursuant to provisions as set forth in 55ILCS 5/6-1003(2014), certain conditions have occurred in connection with the operations of the County which are deemed to be immediate emergencies; therefore, the increases detailed per the attached Request for Budget Amendment are hereby authorized for Amendment **#23-022 River Bluff Nursing Home MDS Coordinator Salary and Business Office Salary**

Respectfully Submitted,
FINANCE COMMITTEE

AGREE

DISAGREE

JOHN BUTITTA, CHAIR

JOHN BUTITTA, CHAIR

JAIME SALGADO, VICE CHAIR

JAIME SALGADO, VICE CHAIR

JEAN CROSBY

JEAN CROSBY

JOE HOFFMAN

JOE HOFFMAN

KEITH McDONALD

KEITH McDONALD

JOHN F. SWEENEY

JOHN F. SWEENEY

MICHAEL THOMPSON

MICHAEL THOMPSON

The above and foregoing Ordinance was adopted by the County Board of the County of

Winnebago, Illinois this _____ day of _____ 2023.

ATTESTED BY:

JOSEPH CHIARELLI
CHAIRMAN OF THE COUNTY BOARD
OF THE COUNTY OF WINNEBAGO, ILLINOIS

LORI GUMMOW
CLERK OF THE COUNTY BOARD
OF THE COUNTY OF WINNEBAGO, ILLINOIS

2023
WINNEBAGO COUNTY
 FINANCE COMMITTEE
 REQUEST FOR BUDGET AMENDMENT

DATE SUBMITTED:		4/25/2023			AMENDMENT NO: 23-022			
DEPARTMENT:		River Bluff			SUBMITTED BY: Mark Lofgren			
FUND#:		0401 River Bluff			70500 Admin and Business Office & 74000 Nursing			
					DEPT. BUDGET NO. Admin			
Department Org Number	Object (Account) Number	Project Number	Object (Account) Description	Adopted Budget	Amendments Previously Approved	Revised Approved Budget	Increase (Decrease)	Revised Budget after Approved Budget Amendment
Expenditures								
70500	41110		Regular Salaries	\$557,145	\$0	\$557,145	\$12,000	\$569,145
74000	43190		Regular Salaries	\$914,775		\$914,775	\$37,000	\$951,775
Revenue								
							TOTAL ADJUSTMENT:	\$49,000
Reason budget amendment is required:								
Based on an external review of operations by Baker Tilly's (nursing home consultants) and approval of the River Bluff Board of Directors, River Bluff Nursing Home would like to contract with a licensed MDS Nurse and hire an additional accounts receivable clerk. Both requests will maximize billable services and improve the efficiency and percentage of collections.								
Potential alternatives to budget amendment:								
None								
Impact to Fiscal Year 2023 budget:								
\$49,000								
Revenue Source:								
General Fund								



Ordinance Executive Summary

Prepared By: Dave Rickert
Committee: Finance Committee
Committee Date: May 4, 2023
Ordinance Title: Ordinance for a Budget Amendment to Prepay Stillman Bank Debt Certificate
County Code:
Board Meeting Date: May 11, 2023

Budget Information:

Was item budgeted? No	Appropriation Amount: \$157,843
If not, explain funding source: Fund balance in the County Automation Fund	
ORG/OBJ/Project Code: 44900/45110 Bond Redemption	
FY2023 Budget Impact: \$157,843	

Background Information: In 2020 The County Board approved a \$400,000 debt certificate to purchase a new firewall for the County. The County is set to make payments on this debt certificate into 2025. We would like to pay this Debt Certificate off early saving the County approximately \$2,144.19 in interest costs. There is no penalty for early payoff either.

Recommendation: Staff agrees with the prepayment request.

Contract/Agreement:

Legal Review:

Follow-Up: A/P will issue a check to Stillman Bank for the remainder owed on the debt certificate.

2023 Fiscal Year

Finance: May 4, 2023

Lay Over: May 11, 2023

Sponsored by:

Final Vote: May, 25 2023

John Butitta, Finance Committee Chairman

2023 CO

TO: THE HONORABLE BOARD MEMBERS OF THE COUNTY OF WINNEBAGO, ILLINOIS

The Winnebago County Finance Committee presents the following Ordinance amending the Annual Appropriation Ordinance for the fiscal year ending September 30, 2023 and recommends its adoption.

Ordinance for a Budget Amendment to Prepay Stillman Bank Debt Certificate

WHEREAS, in 2020 Winnebago County took out a \$400,000 debt certificate with Stillman Bank to cover the cost of a new firewall for the County,

WHEREAS, there are sufficient funds in the County Automation Fund to pay the debt certificate off in full with no early payoff penalty, saving the County interest expense,

WHEREAS, the Winnebago County Board adopted the "Annual Budget and Appropriation Ordinance" for the fiscal year ending September 30, 2023 at its September 29, 2022 meeting; and,

WHEREAS, 55ILCS 5/6-1003(2014), states, "After the adoption of the county budget, no further appropriations shall be made at any other time during such fiscal year, except as provided in this Act. Appropriations in excess of those authorized by the budget in order to meet an immediate emergency may be made at any meeting of the board by a two-thirds vote of all the members constituting such board, the vote to be taken by ayes and nays and entered on the record of the meeting."

NOW, THEREFORE, BE IT ORDAINED, that the County Board deems that pursuant to provisions as set forth in 55ILCS 5/6-1003(2014), certain conditions have occurred in connection with the operations of the County which are deemed to be immediate emergencies; therefore, the increases detailed per the attached Request for Budget Amendment are hereby authorized for Amendment **#23-023 Stillman Bank Loan Prepayment**.

Respectfully Submitted,
FINANCE COMMITTEE

AGREE

DISAGREE

JOHN BUTITTA, CHAIR

JOHN BUTITTA, CHAIR

JAIME SALGADO, VICE CHAIR

JAIME SALGADO, VICE CHAIR

JEAN CROSBY

JEAN CROSBY

JOE HOFFMAN

JOE HOFFMAN

KEITH McDONALD

KEITH McDONALD

JOHN F. SWEENEY

JOHN F. SWEENEY

MICHAEL THOMPSON

MICHAEL THOMPSON

The above and foregoing Ordinance was adopted by the County Board of the County of
Winnebago, Illinois this _____ day of _____ 2023.

ATTESTED BY:

JOSEPH CHIARELLI
CHAIRMAN OF THE COUNTY BOARD
OF THE COUNTY OF WINNEBAGO, ILLINOIS

LORI GUMMOW
CLERK OF THE COUNTY BOARD
OF THE COUNTY OF WINNEBAGO, ILLINOIS

2023
WINNEBAGO COUNTY
 FINANCE COMMITTEE
 REQUEST FOR BUDGET AMENDMENT

DATE SUBMITTED:		4/26/2023			AMENDMENT NO: 23-023			
DEPARTMENT:		Finance			SUBMITTED BY: Dave Rickert			
FUND#:		0129 County Automation Fund			DEPT. BUDGET NO. 44900 County Automation			
Department Org Number	Object (Account) Number	Project Number	Object (Account) Description	Adopted Budget	Amendments Previously Approved	Revised Approved Budget	Increase (Decrease)	Revised Budget after Approved Budget Amendment
Expenditures								
44900	45110		Bond Redemption	\$80,060	\$0	\$80,060	\$157,843	\$237,903
Revenue								
TOTAL ADJUSTMENT:							\$157,843	
Reason budget amendment is required:								
<p>In 2020 The County Board approved a \$400,000 debt certificate to purchase a new firewall for the County. The County is set to make payments on this debt certificate into 2025. We would like to pay this Debt Certificate off early saving the County approximately \$2,144.19 in interest costs. There is no penalty for early repayment either.</p>								
Potential alternatives to budget amendment:								
None								
Impact to Fiscal Year 2023 budget:								
\$157,843								
Revenue Source:								
County Automation Fund								



Resolution Executive Summary

Prepared By: David J. Rickert
Committee: Finance Committee
Committee Date: 5-4-2023
Resolution Title: Resolution Adopting the Fiscal Year 2024 Budget Policy
County Code: N\A
Board Meeting Date: 5-11-2023

Budget Information:

Was item budgeted? Not Applicable	Appropriation Amount: Not Applicable
If not, explain funding source: Not Applicable	
ORG/OBJ/Project Code: Not Applicable	Budget Impact: Not Applicable

Background Information: The County's budget process is governed by Illinois Compiled Statutes (55 ILCS 5/6) and Winnebago County Board Policies. In addressing concerns for maintaining financial strength while protecting the interest of the taxpayer, the County Board is implementing the following directives for the development of the fiscal year 2024 budget

Recommendation: Administration supports this resolution

Contract/Agreement: Not Applicable

Legal Review: Not Applicable

Follow-Up: Not Applicable

**RESOLUTION OF THE COUNTY BOARD
OF THE COUNTY OF WINNEBAGO, ILLINOIS**

2023 CR _____

SUBMITTED BY: FINANCE COMMITTEE

SPONSORED BY: JOHN BUTITTA

RESOLUTION ADOPTING FISCAL YEAR 2024 BUDGET POLICY

WHEREAS, the County Board wishes to adopt a budgetary process for use in the 2024 fiscal year; and

WHEREAS, the County Administration has created a process based on sound financial principals for use in the 2024 fiscal year.

NOW, THEREFORE, BE IT RESOLVED, by the County Board of the County of Winnebago, Illinois that it adopts the budgetary process presented by the County Administration for the 2024 fiscal year, a copy of which policy is attached to this Resolution as Exhibit A.

BE IT FURTHER RESOLVED that this Resolution shall be in full force and effect immediately upon its adoption.

BE IT FURTHER RESOLVED, that the Clerk of the County Board is hereby authorized to prepare and deliver certified copies of this Resolution to the County Board Chairman and all County department heads.

**Respectfully Submitted,
FINANCE COMMITTEE**

AGREE

DISAGREE

JOHN BUTITTA, CHAIRMAN

JOHN BUTITTA, CHAIRMAN

JAIME SALGADO, VICE CHAIRMAN

JAIME SALGADO, VICE CHAIRMAN

JEAN CROSBY

JEAN CROSBY

JOE HOFFMAN

JOE HOFFMAN

KEITH McDONALD

KEITH McDONALD

JOHN F. SWEENEY

JOHN F. SWEENEY

MICHAEL THOMPSON

MICHAEL THOMPSON

The above and foregoing Resolution was adopted by the County Board of the County of

Winnebago, Illinois this _____ day of _____ 2023.

ATTESTED BY:

JOSEPH V. CHIARELLI
CHAIRMAN OF THE COUNTY BOARD
OF THE COUNTY OF WINNEBAGO, ILLINOIS

LORI GUMMOW
CLERK OF THE COUNTY BOARD
OF THE COUNTY OF WINNEBAGO, ILLINOIS

Exhibit A



WINNEBAGO COUNTY

Fiscal Year 2024

Budget Policy

TABLE OF CONTENTS

Introduction	3
Accounting Basis	3
Budgetary Priorities.....	4
Fund Reserves and Balanced Budgets.....	4
Budget Submittal and Presentation Process.....	4
Revenue Estimations.....	5
Expense Estimations.....	6
Capital Improvement Projects (CIP) Planning and Budgets	7
Budget Amendment Process (After Adoption By The Board):	8
Financial Policies	8
Fiscal Year.....	8
Accounting/ Auditing	8
Accounting and Financial Reporting Policies.....	9
Grants.....	10
Risk Management.....	11
Investment Policy.....	11
Scope of Investment Policy	11
Objectives.....	11
Responsibility	12
Prudence	12
Accounting	12
Financial Institutions	12
Investment Vehicles.....	13
Collateral	13
Security Controls	13
Adoption.....	13
Fiscal Year 2024 Budget Calendar	14

INTRODUCTION

Winnebago County Government operates on policies designed to protect the County's assets and taxpayers' interests, provide guidance to employees, and serve the public efficiently. It is the intent that the policy statements be used to avoid conflicting goals or activities, which may have a negative impact on the overall financial position of the County. The County's system of internal accounting controls is designed to provide reasonable assurance that the financial records are reliable for preparing financial statements and maintaining accountability for assets and obligations.

The County's budget process is governed by Illinois Compiled Statutes (55 ILCS 5/6) and Winnebago County Board Policies (Sec. 2-38 Winnebago County Code of Ordinances). All operating funds (those funds that are presented in the County's Annual Comprehensive Financial Report) are appropriated in the "Official Budget". Appropriations will be considered the maximum authorization to incur obligations and not a mandate to spend.

In addressing concerns for maintaining financial strength while protecting the interest of the taxpayer, the County Board is implementing the following directives for the development of the fiscal year 2024 budget.

ACCOUNTING BASIS

Governmental Funds

The County prepares financial statements based on the modified accrual basis of accounting for all governmental funds in which the revenues are recorded when both measurable and available. The County considers revenue to be available if they are collected within 60 days of the end of the current fiscal period for property taxes, 180 days of the end of the current fiscal policy for certain health department and County reimbursable grants and 90 days of the end of the current period for all other amounts.

Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on long-term debt, claims, judgments, compensated absences and pension expenditures, which are recorded as a fund liability when expected to be paid with expendable available financial resources.

Proprietary Funds

The County has two proprietary funds. Expenditures for these funds are budgeted on a full accrual basis of accounting. As such, expenses are recognized when incurred and revenues are recognized when they are obligated to the County.

Under both methods of accounting, Generally Accepted Accounting Principles (GAAP) prescribe that purchases are required to be accounted for in the fiscal year in which the item is received or the service performed. Items ordered or services performed late in the fiscal year and not received or completed by the end of the fiscal year will be applied to the budget of the following year.

BUDGETARY PRIORITIES

Direction is hereby given to the County Administrator and the Chief Financial Officer to create the fiscal year 2024 budget with the following priorities:

1. Debt service payments required
2. Contractual payments based on lease agreements, software agreements and other contractual agreements
3. Mandated services at affordable funding levels
4. All operating necessities (Utilities, IMRF, Health Insurance, Liability Insurance)
5. General operating costs to provide services
6. Non-Union employee compensation
7. Capital needs of the organization
8. Meeting the 25% unrestricted reserve requirement of the General Fund and PSST Fund (See Fund Reserves and Balanced Budgets Section)
9. Outside agency funding to include non-obligated Host Fee Grants and local matching grants

FUND RESERVES AND BALANCED BUDGETS

The intent of the Finance Committee is the budget must balance expenditures against available revenues and fund balance by fund. Special revenue fund expenditure budgets cannot exceed available fund balance of the fund. Special revenue funds with a negative fund balance will not be allowed to submit an expenditure budget until the negative fund balance has been eliminated.

The County has developed a fund reserve policy in which it shall be the intent of the County Board to maintain an unrestricted (total of unassigned) fund balance equal to three months of budgeted operating expenditures in the General Fund and the Public Safety Sales Tax Fund. Surpluses in excess of the necessary reserve required by this policy shall be transferred to the Capital Projects Fund. In addition, it is the intent of the County Board to maintain an unrestricted fund balance equal to three months of budgeted operating expenditures in the River Bluff Nursing Home fund.

BUDGET SUBMITTAL AND PRESENTATION PROCESS

Elected Officials and Department Heads shall be provided budget worksheets with existing levels of funding. Based on revenue estimates for the current and next fiscal year, funding levels may be reduced from the current year's appropriations. Elected Officials and Department Heads are encouraged to analyze all services and programs for the cost of the programs, citizen demand, and mandates by Federal, State or County law.

Exceptions may be considered by the County Administrator and the Chief Financial Officer on a case-by-case basis.

When an Elected Official/Department Head has completed the required budget forms, a meeting can be scheduled (if necessary) with the County Administrator and Chief Financial Officer to review and ensure budget policy compliance. Concerns and/or issues should be addressed by the Department Head/Elected Official at this time. Any resulting changes to submitted budgets will be communicated to the Finance Office for system entry and review. Upon review by County Administrator and Chief Financial Officer, the budget will be scheduled for presentation to the Finance Committee per the attached budget calendar. Meetings will be scheduled with the Finance Committee (if necessary) for individual departments/Elected Officials to address the Finance Committee regarding their individual budget requests.

Prior to the date the County Board places the budget on layover for public review, the Elected Official/Department Head will be required to review the budget as entered in the financial system and sign off that all entered information is correct.

Once the Finance Committee has reviewed departmental budgets, and the recommended supplemental requests have been approved, the budget is moved to the whole board to be placed on public display for a minimum of fifteen (15) days prior to final approval.

The Chief Financial Officer and the County Administrator during the normal course of the budget preparation process may make budget revisions prior to the final board approval of the budget. It should be noted that proposed budget revisions made after the first reading but before final passage shall be documented and presented to the County Board for approval as part of the final budget approval.

New for FY2024, Elected Official/Department Heads will be required to submit a five-year plan for capital improvements. Guidelines for these budgets are on page 7.

REVENUE ESTIMATIONS

The County will project annual revenues on a conservative analytical basis to protect it from short-run fluctuations in any one revenue source. In instances where the County is providing non-mandated services and the revenue stream(s) is/are not covering the costs of said services, direction will be requested by County Administration from the reporting Liaison Committee (and if necessary, the full County Board) on whether said service should be allowed to continue and supplemented with County funds.

Property Tax Assumptions: Winnebago County is mandated to follow the Illinois Property Tax Extension Limitation Law (PTELL) by the State of Illinois. PTELL allows governing bodies the ability to cover the costs of inflationary increases incurred in their day-to-day operations by increasing their previous year's extension by the CPI or 5%, whichever is smallest. For fiscal year 2024 the CPI is 5.0%. During the budget process, County Administration will present the increases available if the County Board chooses to capture new growth and/or to utilize the CPI increase authorized under PTELL in the calculation of property tax revenues when developing the fiscal year 2024 budget. The Finance Committee will inform the Chief Financial Officer of the amount of the levy to include in the budget document.

User Fees and Charges: All user fees and charges should be reviewed by County Administration, Elected Officials and Appointed Department Heads on an annual basis to ensure the fee collected is covering the cost of service provided (subject to State Statutes).

The County charges user fees for items and services which benefit a specific user more than the general public. State statutes or an indirect cost study determines user fees. Fee studies based on costs are conducted as needed to determine the level of fees needed to equal the total cost of providing the service.

Other FY2024 Revenue Assumptions:

- Nonrecurring (one-time) revenue sources will be used for operations unless directed for a specific use by the County Board.
- Cannabis Sales and Excise Taxes support the General Fund.
- All gaming-related revenue, including off-track betting, casino, and video gaming revenues, support the Capital Projects Fund.
- Sale of assets support the Capital Projects Fund.
- New funding sources with a restricted purpose will be reviewed by the County Board to ensure appropriate usage at the department level. Additionally, these funding sources will be identified by a designated project number to meet reporting requirements by the funding agency.

EXPENSE ESTIMATIONS

Salary and Wage Estimates: Each department will be provided a budget document outlining the employees of the department with their rate of pay as of the date of the preparation of the document. It is the responsibility of the department to review the list including the position titles and employment status (FT, PT or seasonal). The department shall budget for any contractual obligations as outlined in respective bargaining contracts for the upcoming year. The department should include any vacant positions that are not included on the list if the intent is to fill that position in the upcoming year.

The Finance Committee will provide the County Administrator the non-union employee wage increase rate to include in the budget document. The Finance Committee will make a recommendation no later than the 1st Finance Committee meeting in June. Non-bargaining employees are eligible to receive the one-percent longevity pay in accordance with County policy and this should be included in the development of the salary and wage budgets.

Employees transferring from one County department to another will be allowed to retain their accrued vacation upon transfer. The new department will assume the liability should the employee terminate their employment while employed by said department.

Grant Budgets: Each department should submit a separate budget document for ongoing grant awards by the project (award) number. Grant revenue estimates should equal grant expenditure estimates for reimbursement-based grants. Grant award performance periods may not align with the County's fiscal year. In such cases, the department should estimate to the best of their ability the expenses that will be incurred for the grant program during the County's fiscal year. Grant budgets should include all applicable expenses as defined in the grant award and approved grant budget.

New grant awards will be budgeted at the time the County Board accepts the award. See further details in the Grant Policy and Grant Procedures documents.

Other FY2024 Expense Assumptions:

- In the event of loss of Federal or State funding and/or reimbursement for specific services, it is understood that Department/Elected Official will be expected to either reduce funded services or identify other reductions/revenue increases to offset the losses. Exceptions will be addressed on a case-by-case basis.
- Contractual obligations should be included in the budget request and, if applicable, noted as a supplemental request.
- Equipment needs and repairs that do not meet the criteria of a capital request as defined below should be included in the departmental operating budgets.
- All appropriations that have not been expended or appropriated to ongoing capital improvement projects shall lapse at the end of the fiscal year.

CAPITAL IMPROVEMENT PROJECTS (CIP) PLANNING AND BUDGETS

The CIP budgets are necessary to provide adequate consideration of the County's short-term and long-term needs and strategic goals and evaluate the options and timing availability of funds to address those needs. As noted in the Revenue Estimate section of this document, the CIP Fund will be funded through Gaming revenue, sale of assets and excess funds in the General and PSST funds. CIP includes major construction, expansion, purchase or major repair of buildings and other physical structures. CIP may also include fleet and equipment replacement needs. Per the County asset policy, capital projects should have a component value greater than \$12,000 and should have a useful life greater than three to five years. CIP does not include highway department projects or equipment funded by grant or other funding sources.

Each Department Head/Elected Official will submit a list of capital needs for the next five years on the document provided for capital requests. Requested projects should be prioritized by the departments. The requesting department should note the need for funding of the project. In addition to the cost of completing the project, the department should identify any costs to operate and maintain the asset over its useful life. These additional expenses would need to be included in the department's operating budget.

Only projects included in the first year of the plan will be considered for approval and funding. Projects presented for future years are shown for planning purposes only. Funding for a capital plan will be reviewed in conjunction with the annual budget. **Submission of capital needs does not guarantee funding.**

Approved CIP projects will be appropriated in the Capital Projects Improvement Fund. County Administration has developed a team consisting of the County Administrator, Chief Financial Officer and representatives from Finance, Purchasing, Facilities, IT and the Sheriff. This team will meet regularly to review and discuss the progress of approved projects.

Capital project appropriations, unlike operating budget appropriations, are typically one-time in nature and the project may take multiple years to complete. Budgetary control for these projects will be at the fund and project level which differs from operating budgets. Due to the fact that capital projects may cross fiscal years, the County Administrator/Chief Financial Officer will have the authority to rollover available project balances to the next fiscal year during the budget preparation process. Each previously approved project will be reviewed with department heads prior to the calculation of the rollover amount. Factors Administration will consider when

calculating the rollover amount would include the timing of any remaining payments and estimated completion percentage. The current year estimated actuals plus any amounts included in the rollover budget will not exceed the amount of the original approved project budget. Administration will not rollover any capital project funds which have not had activity for two fiscal years. A listing of project budgets that are to be rolled over will be reviewed by the aforementioned Administration team and included in the final budget package as presented to the County Board.

CIP appropriations funding projects belonging to the two Enterprise Funds will be budgeted in those respective funds in order to properly track assets according to GAAP and financial reporting. Approval of CIP projects related to these funds will require a budget amendment including a plan to transfer funds from the CIP fund to the Enterprise fund and expenditures for the project in the Enterprise fund. Actual transfers will only be recorded by Finance as related projects are completed.

BUDGET AMENDMENT PROCESS (AFTER ADOPTION BY THE BOARD):

All requests for budget amendments must start with a completed Budget Amendment Form (available upon request from Finance) submitted to the Chief Financial Officer, who upon review, will work with the requesting department head in preparing an ordinance (if required) in the County Board approved format for committee and board presentation.

- The County Board must approve all transfers of budgets between departments or funds by a 2/3rd majority vote (14) of the County Board. (Transfers may not be made from certain special purpose funds to other funds).
- Additional (emergency) appropriations must also be approved by a 2/3rd majority vote (14) of the County Board.
- Budgetary control over expenditures exists at the object-class-level (character code). Line item transfers between object-class-level (character code) or object codes may be requested by the department and approved by the Chief Financial Officer, provided the total amount appropriated by the County Board for the respective department (org code) is not exceeded.

FINANCIAL POLICIES

The following pages include financial policies that have been approved by the County Board. These policies should be considered in addition to the Budget Development Guidelines in completion of budgets.

FISCAL YEAR

The County's fiscal year is October 1st through September 30th. (Set by County Board per 55 ILCS 5/6-1-001).

ACCOUNTING/ AUDITING

State statutes require an annual audit by independent certified public accountants (55 ILCS 5/6-31003). An Annual Comprehensive Financial Report shall be prepared according to the criteria set by the Government Finance Officers Association (GFOA). The County follows Generally Accepted Accounting Principles (GAAP) as set forth by the Governmental Accounting Standards Board (GASB).

ACCOUNTING AND FINANCIAL REPORTING POLICIES

The accounting policies of the County of Winnebago, Illinois will conform to generally accepted accounting principles as applicable to governmental units. The accepted standard-setting body for establishing governmental accounting and financial reporting principles is the Governmental Accounting Standards Board (GASB). It shall be the intent of the County to maintain a self-balancing set of accounts on an on-going basis to be closed quarterly. The general ledger will be closed by the Finance department no later than 45 days after month end. The books shall remain open 90 days after the fiscal year end.

It shall be the intent of the County to maintain a program of internal controls to safeguard all assets and ensure effective and efficient use of all assets. It shall be the responsibility of the Finance Director to establish a formal set of "best practice" internal controls. In addition, the County Auditor shall ensure that all departments comply with those controls.

It shall also be the intent for the independent auditor to review the system of internal controls and report any weaknesses detected to the Board as part of the annual audit.

It shall be the intent of the County to utilize fund accounting principles and generally accepted accounting practices in the recording of all financial transactions. The general ledger shall be maintained on a cash basis, with the intent to move to an accrual basis on a quarterly basis. The Finance Committee will be provided with budget versus actual revenue and expenditure reports on a quarterly basis.

It shall be the intent of the County to prepare annually an Annual Comprehensive Financial Report to be presented to the Board no later than 180 days after year-end. The Annual Comprehensive Financial Report should be audited by an independent CPA firm experienced in governmental auditing. It shall be the further intent of the County to present its Annual Comprehensive Financial Report to the Government Finance Officers Association to receive the Certificate of Excellence award in financial reporting. If at any time the County will not receive an unqualified opinion from the CPA firm, the CPA firm and the Finance Director will notify the Board prior to the issuance of the report.

It shall be the intent of the County to maintain a capital asset ledger of all permanent assets acquired. The Finance department will maintain these asset records on an on-going basis to ensure proper controls and report annually regarding these records to the Board. No asset will be considered fixed unless its value or component value exceeds \$12,000 dollars or in the case of infrastructure assets purchased or acquired with an original cost of \$50,000 or more.

Depreciation will be charged on all capital assets. This policy is consistent with the requirements of GASB Statement No. 34. Depreciation will be recorded on a straight-line basis over the normal useful life of the asset.

It shall be the intent of the County to manage all accounts receivable. Accounts receivable are created by operations in certain departments and offices. In general, they arise at the renewal of a permit or license from departments such as Health, River Bluff Nursing Home or Transportation. The department or office that is responsible for the billing is responsible for collections and managing receivables. Consistent with good financial management, each department and office will age their receivables. Departments and Offices shall continue collection efforts.

The Finance department remits vendor payments on a regular schedule twice a month. Vendor payments are released by the County Clerk's office per the defined schedule. Emergency requests for payment are considered

on a case-by-case basis. All remittances will be mailed unless there is a business purpose requiring a department to obtain the check at which time a release form will need to be signed.

It is the intent of the County to comply with the modified accrual basis of accounting, in which revenues are recorded when they are both measurable and available. The County considers revenue to be available if they are collected within 60 days of the end of the current fiscal period for property taxes, 180 days of the end of the current fiscal period for certain health department and County reimbursable grants, and 90 days of the end of the current fiscal period for all other amounts.

GRANTS

The purpose of this policy is to ensure that all grant-funded programs or projects are managed according to the terms set forth in the grant agreement, Winnebago County Grant Administration Policies and Procedures and other applicable County policies and procedures. To inform the County Board of the value of a new grant program, the Board must have full knowledge of the total cost and/or impact of the program and its funding sources. It is a requirement that departments administering grants are familiar with the grant administration policies and procedures; in addition to individual grant requirements.

A grant is an amount of money that a government or other institution gives to an individual or to an organization for a particular purpose.

The following should be considered when applying for, accepting, and/or managing grant awards:

The County Board's definition of a conflicting special condition is:

- A new grant is a grant awarded for a purpose that has not been previously supported by grant funding.
- Grant Award Agreement Federal/State/Local compliance requirements.
- If Indirect Costs are allowable, all new grant application budgets should include the County's 10% de minimis indirect cost rate. If not included, the explanation shall be included in the Grant Summary Worksheet.
- Departments who apply for grants that require a local match must find the local match within their budgets.
- Departments who apply for new grants must understand the special conditions associated with their funding and inform the County Board of the conditions in the Resolution, prior to approval. Upon Board acceptance and approval, the County Board Administration Staff will log each special condition into the Special Conditions System of Register.
 - The County Board's definition of a conflicting special condition is any special condition of funding (outside of standard state/federal conditions) that may prohibit another department's ability to apply for funding.

- Upon notification of a grant award (new or renewal), departments will submit to the respective Committee:
 - Executive Summary and Resolution,
 - Original Grant Award Agreement,
 - Winnebago County Grant Summary Worksheet,
 - And any relevant attachments to the respective Committee.

Upon Committee approval, departments will submit a budget amendment to the Chief Financial Officer to amend the respective budget. A 2/3rd vote of all members constituting the County Board is required to amend department budgets to reflect grant revenues and expenses (55 ILCS 5/6-1003).

- Grants will be controlled at the operating budget level based on the County's fiscal year.
- The grant budget will be periodically reviewed by the designated Grant Managers to ensure that the revenues and expenditures are consistent with the grant award's allowable costs.
- Designated Grant Managers will inform Finance Director of identified sub-award/sub-recipients.
- Grants will be reviewed quarterly, as needed, by the Grant Compliance Officer or Finance Director with the Department Head, Elected Official, or designated Grant Managers.

RISK MANAGEMENT

The County has an established program for unemployment, liability and workers compensation. To forecast expenditures, the County considers claims, retention levels, fixed costs, and fund reserves.

INVESTMENT POLICY

The County Treasurer is responsible for the investing of all Winnebago County funds (55 ILCS 5/3-11006). It is always prudent for any public unit to have an Investment Policy in place for the purpose of safeguarding funds, equitably distributing the investments, and maximizing income of the governmental unit. The following policy is adopted for the Winnebago County Treasurer's Office.

SCOPE OF INVESTMENT POLICY

This Investment Policy applies to the investment activities of all funds under the jurisdiction of the Winnebago County Treasurer. This Investment Policy will also apply to any new funds or temporary funds placed under the jurisdiction of the Winnebago County Treasurer. The Illinois Compiled Statutes will take precedence except where this policy is more restrictive, wherein this policy will take precedence.

OBJECTIVES

The purpose of this Investment Policy of the Winnebago County Treasurer is to establish cash management and investment guidelines for the stewardship of public funds under the jurisdiction of the Winnebago County Treasurer. The specific objectives of this investment policy will be as follows:

1. Safety of Principal.
2. Diversity of investment to avoid unreasonable risks.

3. The portfolio shall remain sufficiently liquid to meet all operating costs, which may be reasonably anticipated.
4. The highest interest rate available will always be the objective of this policy, combined with safety of principal. The Winnebago County Treasurer will require full collateralization of any deposits.
5. In maintaining its investment portfolio, the Winnebago County Treasurer shall avoid any transaction that might impair public confidence in the Winnebago County Treasurer's Office.
6. The Winnebago County Treasurer will give consideration to the financial institutions positive community involvement when consideration is given to the financial institution to be used as a depository.
7. All funds will be invested for a period of one day or longer, depending on the requirement for the disbursement of funds.
8. All funds shall be deposited within two working days at prevailing rates or better, in accordance with Illinois Compiled Statutes.

RESPONSIBILITY

All investment of funds under the control of the Winnebago County Treasurer is the direct responsibility of the Winnebago County Treasurer. The Winnebago County Treasurer shall be responsible for all transactions and shall establish a system of controls of the activities of all subordinates who are directly involved in the assistance of such investment activities.

PRUDENCE

The standard of prudence to be used by investment officials shall be the "prudent person," and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and exercising due diligence shall be relieved of personal responsibility for any individual securities credit risk or market price changes, provided that deviations from expectation are reported in a timely fashion, and appropriate action is taken to control adverse developments.

ACCOUNTING

All investment transactions shall be recorded by the Winnebago County Treasurer or the Winnebago County Treasurer's staff. A report will be generated, at least monthly, listing all active investments, including information regarding securities in portfolio by class or type, book value, interest earned and market value as of report date. This report will be made available to the Winnebago County Board and Winnebago County Treasurer.

FINANCIAL INSTITUTIONS

The Winnebago County Treasurer will have the sole responsibility to select which financial institutions will be depositories for Winnebago County Treasurer funds. The Winnebago County Treasurer will take into consideration security, size, location, condition, service, fees and the community relations involvement of the financial institution when choosing a financial institution.

At no time will the Winnebago County Treasurer investments exceed 65% of the financial institution's capital and surplus.

All financial institutions having any type of financial relationships: deposit investments, loans, etc., are required to provide a complete and current "Call Report," required by their appropriate regulatory authority each calendar quarter within 30 days of the "Call" request date.

INVESTMENT VEHICLES

The Winnebago County Treasurer will use investments approved for governmental units as set forth in the most current issue of the Illinois Compiled Statutes.

COLLATERAL

In order to protect the funds of Winnebago County, it will be a standard practice of the Winnebago County Treasurer to require that all deposits in financial institutions be collateralized. Collateral shall be held under the name of Winnebago County. During the term of the deposit, at least 102% collateralization will be required whenever deposits exceed the insured limits of FDIC. The Winnebago County Treasurer will require a signed

Pledge Agreement between Winnebago County, the Financial Institution, and the Holding Company to be on file at all times.

102% of collateralization of the deposit will be required. Only the following collateral will be accepted:

- U.S. Government direct securities
- Obligations of Federal Instrumentalities
- Obligations of the State of Illinois
- Obligations of the County of Winnebago
- Obligations of municipalities located within the County of Winnebago, subject to acceptance by the Winnebago County Treasurer
- Acceptable Collateral as identified in the Illinois Compiled Statutes for use by the Treasurer of the State of Illinois

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the possible income to be derived.

The above standard is established as the standard for professional responsibility and shall be applied in the context of managing the Winnebago County Treasurer's portfolio, pursuant to the Public Funds Investment Act at 30 Illinois Compiled Statutes 235/2.5 and other provisions included in that Act, along with all other Statutes and Constitutional provisions regarding conflicts of interest and ethical considerations.

SECURITY CONTROLS

Only the Winnebago County Treasurer is authorized to establish financial accounts for the office of Winnebago County Treasurer. At all times either the Winnebago County Treasurer, singly or signatories as designated by the Winnebago County Treasurer, should be authorized to sign on financial accounts of the office of the Winnebago County Treasurer.

ADOPTION

This investment policy or similar policy has been in effect since January 1, 2022. Last revision March 12, 2022.

FISCAL YEAR 2024 BUDGET CALENDAR

Budget Task	Date
Chief Financial Officer and Finance Department to review budget process, refine budget requirements, determine budget calendar and prepare preliminary budget guidelines	Feb 1 st to March 10 th
Finance Committee to review Budget Calendar	March 16 th
Finance Committee to approve 2024 Budget Policy & Guidelines	April 6 th
County Board to approve 2024 Budget Policy & Guidelines	April 13 th
Budget preparation materials are distributed to departments	May 3 rd
Initial forecast of Fiscal Years 2023 and 2024 with tax levy options to be presented to the Finance Committee	June 15 th
Departments to submit all budget documents to the Chief Financial Officer	June 16 th
Departments to submit Budget & Outcome Goals to the Chief Financial Officer	June 21 st
Chief Financial Officer and Administrator to review all preliminary budgets with Departments	June 22 nd – 30 th
Recommended budgets are provided to Department Heads/Elected Officials	July 7 th
Finance Committee will review department budget presentations (if necessary)	July 20 th
Budget to be reviewed by Chairman, Administrator and Chief Financial Officer	July 25 th
County Administrator to present recommended budget to the Committee of the Whole	Aug 10 th
Finance Committee to make recommended budget changes (if necessary)	Aug 17 th
Truth in Taxation Hearing (we will schedule a date if needed)	
Department Heads and Elected Officials sign off sheet on budgets and capital requests due in the Finance Department	Aug 23 rd
Finance Committee to vote on County Budget Ordinance	Aug 31 st
County Board to place balanced Proposed Budget on public display	Sept 7 th
County Board to adopt the appropriation and tax levy ordinance/budget	Sept 28 th

Exhibit B



WINNEBAGO COUNTY

Fiscal Year 202~~4~~

Budget Policy

Deleted: 3

TABLE OF CONTENTS

Introduction3

Accounting Basis3

Budgetary Priorities.....4

Fund Reserves and Balanced Budgets.....4

Budget Submittal and Presentation Process4

Revenue Estimations.....5

Expense Estimations.....6

Capital Improvement Projects (CIP) Planning and Budgets7

Budget Amendment Process (After Adoption By The Board):8

Financial Policies8

Fiscal Year.....8

Accounting/ Auditing8

Accounting and Financial Reporting Policies.....9

Grants.....10

Risk Management.....11

Investment Policy.....11

Scope of Investment Policy11

Objectives.....11

Responsibility12

Prudence12

Accounting12

Financial Institutions12

Investment Vehicles12

Collateral13

Security Controls13

Adoption.....13

Fiscal Year 2024 Budget Calendar14



Deleted: Introduction 3¶
 Financial Strength 3¶
 Budget Submittal 3¶
 Supplemental Requests 3¶
 Federal and State Funded Programs 3¶
 User Fees and Charges 3¶
 Revenue Estimations 4¶
 Consumer Price Index 4¶
 Fund Reserves 4¶
 Alternative Service Delivery & Outsourcing 4¶
 Wage Adjustments 4¶
 Priorities 5¶
 Accounting/ Auditing 5¶
 Accounting and Financial Reporting Policies 5¶
 Appropriation 6¶
 Balanced Budget by Fund 6¶
 Budget Presentation 6¶
 Capital Budget - Long Term 7¶
 Fiscal Year 7¶
 Grants 7¶
 Investment Policy 8¶
 Scope of Investment Policy 8¶
 Objectives 8¶
 Responsibility 9¶
 Prudence 9¶
 Accounting 9¶
 Financial Institutions 9¶
 Investment Vehicles 9¶
 Collateral 10¶
 Security Controls 10¶
 Adoption 10¶
 Risk Management 10¶
 FISCAL YEAR 2023 BUDGET CALENDAR 11¶
 Budget Amendment process (after adoption by the Board): 12¶

INTRODUCTION

Winnebago County Government operates on policies designed to protect the County's assets and taxpayers' interests, provide guidance to employees, and serve the public efficiently. It is the intent that the policy statements be used to avoid conflicting goals or activities, which may have a negative impact on the overall financial position of the County. The County's system of internal accounting controls is designed to provide reasonable assurance that the financial records are reliable for preparing financial statements and maintaining accountability for assets and obligations.

The County's budget process is governed by Illinois Compiled Statutes (55 ILCS 5/6) and Winnebago County Board Policies ([Sec. 2-38 Winnebago County Code of Ordinances](#)). All operating funds (those funds that are presented in the County's Annual Comprehensive Financial Report) are appropriated in the "Official Budget". Appropriations will be considered the maximum authorization to incur obligations and not a mandate to spend.

In addressing concerns for maintaining financial strength while protecting the interest of the taxpayer, the County Board is implementing the following directives for the development of the fiscal year 2024 budget.

ACCOUNTING BASIS

Governmental Funds

The County prepares financial statements based on the modified accrual basis of accounting for all governmental funds in which the revenues are recorded when both measurable and available. The County considers revenue to be available if they are collected within 60 days of the end of the current fiscal period for property taxes, 180 days of the end of the current fiscal policy for certain health department and County reimbursable grants and 90 days of the end of the current period for all other amounts.

Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on long-term debt, claims, judgments, compensated absences and pension expenditures, which are recorded as a fund liability when expected to be paid with expendable available financial resources.

Proprietary Funds

The County has two proprietary funds. Expenditures for these funds are budgeted on a full accrual basis of accounting. As such, expenses are recognized when incurred and revenues are recognized when they are obligated to the County.

Under both methods of accounting, Generally Accepted Accounting Principles (GAAP) prescribe that purchases are required to be accounted for in the fiscal year in which the item is received or the service performed. Items ordered or services performed late in the fiscal year and not received or completed by the end of the fiscal year will be applied to the budget of the following year.

Moved (insertion) [1]

Deleted: 3

Deleted: :

Formatted: Font: 11 pt

Formatted: Font: 11 pt, Font color: Auto

Formatted: Font: 11 pt

Formatted: Font: 11 pt, Font color: Auto

BUDGETARY PRIORITIES

Direction is hereby given to the County Administrator and the Chief Financial Officer to create the fiscal year 2024 budget with the following priorities:

1. Debt service payments required
2. Contractual payments based on lease agreements, software agreements and other contractual agreements
3. Mandated services at affordable funding levels
4. All operating necessities (Utilities, IMRF, Health Insurance, Liability Insurance)
5. General operating costs to provide services
6. Non-Union employee compensation
7. Capital needs of the organization
8. Meeting the 25% unrestricted reserve requirement of the General Fund and PSST Fund (See Fund Reserves and Balanced Budgets Section)
9. Outside agency funding to include non-obligated Host Fee Grants and local matching grants

FUND RESERVES AND BALANCED BUDGETS

The intent of the Finance Committee is the budget must balance expenditures against available revenues and fund balance by fund. Special revenue fund expenditure budgets cannot exceed available fund balance of the fund. Special revenue funds with a negative fund balance will not be allowed to submit an expenditure budget until the negative fund balance has been eliminated.

The County has developed a fund reserve policy in which it shall be the intent of the County Board to maintain an unrestricted (total of unassigned) fund balance equal to three months of budgeted operating expenditures in the General Fund and the Public Safety Sales Tax Fund. Surpluses in excess of the necessary reserve required by this policy shall be transferred to the Capital Projects Fund. In addition, it is the intent of the County Board to maintain an unrestricted fund balance equal to three months of budgeted operating expenditures in the River Bluff Nursing Home fund.

BUDGET SUBMITTAL AND PRESENTATION PROCESS

Elected Officials and Department Heads shall be provided budget worksheets with existing levels of funding. Based on revenue estimates for the current and next fiscal year, funding levels may be reduced from the current year's appropriations. Elected Officials and Department Heads are encouraged to analyze all services and programs for the cost of the programs, citizen demand, and mandates by Federal, State or County law.

Moved (insertion) [2]

Formatted: Font: 11 pt

Deleted: 3

Deleted: The pages that follow provide further definitions and guidelines for the development of the fiscal year 2023 budget, and should be considered as directives from the County Board.¶

Moved (insertion) [3]

Formatted: Font: 11 pt

Formatted: Font: 11 pt

Formatted: Font: 11 pt

Formatted: Font: 11 pt, Font color: Auto

Formatted: Font color: Auto

Formatted: Font: 11 pt, Font color: Auto

Formatted: Font: 12 pt

Deleted: |

Deleted: .

Deleted: Given the impact of the COVID-19 in fiscal year 2021 and 2022 fund balances have dropped below the 90 day (3 month) reserve level in the Public Safety Sales Tax Fund. It should be the objective of the 2023 Budget Policy to increase the fund balance back to the 90 day reserve level.¶

FINANCIAL STRENGTH¶

The County has been significantly impacted financially by the COVID-19 crisis. Revenues have been impacted by business closings, unemployment and other factors. The balances in the General Fund are above the 90 day reserve amount in fiscal year 2022.¶

Formatted: Font: 11 pt

Formatted: Font: 11 pt

Formatted: Font: 11 pt

Deleted: d

Exceptions may be considered by the County Administrator and the Chief Financial Officer on a case-by-case basis.

Moved (insertion) [4]

Deleted:

Deleted:

Deleted: Elected Officials and Department Heads must provide position descriptions and corresponding wages to support the salary line items included in the budget worksheet. There is no guarantee staffing will remain at current levels.

Formatted: Highlight

Moved (insertion) [5]

Deleted: will

Deleted:

When an Elected Official/Department Head has completed the required budget forms, a meeting can be scheduled (if necessary) with the County Administrator and Chief Financial Officer to review and ensure budget policy compliance. Concerns and/or issues should be addressed by the Department Head/Elected Official at this time. Any resulting changes to submitted budgets will be communicated to the Finance Office for system entry and review. Upon review by County Administrator and Chief Financial Officer, the budget will be scheduled for presentation to the Finance Committee per the attached budget calendar. Meetings will be scheduled with the Finance Committee (if necessary) for individual departments/Elected Officials to address the Finance Committee regarding their individual budget requests.

Prior to the date the County Board places the budget on layover for public review, the Elected Official/Department Head will be required to review the budget as entered in the financial system and sign off that all entered information is correct.

Deleted: ¶

Once the Finance Committee has reviewed departmental budgets, and the recommended supplemental requests have been approved, the budget is moved to the whole board to be placed on public display for a minimum of fifteen (15) days prior to final approval.

The Chief Financial Officer and the County Administrator during the normal course of the budget preparation process may make budget revisions prior to the final board approval of the budget. It should be noted that proposed budget revisions made after the first reading but before final passage shall be documented and presented to the County Board for approval as part of the final budget approval.

Formatted: Space After: 6 pt, Don't add space between paragraphs of the same style

New for FY2024, Elected Official/Department Heads will be required to submit a five-year plan for capital improvements. Guidelines for these budgets are on page 7.

Moved (insertion) [6]

Formatted: Font: 11 pt

REVENUE ESTIMATIONS

The County will project annual revenues on a conservative analytical basis to protect it from short-run fluctuations in any one revenue source. In instances where the County is providing non-mandated services and the revenue stream(s) is/are not covering the costs of said services, direction will be requested by County Administration from the reporting Liaison Committee (and if necessary, the full County Board) on whether said service should be allowed to continue and supplemented with County funds.

Moved (insertion) [7]

Deleted: Consumer Price Index¶

Formatted: Font color: Auto

Formatted: No underline, Font color: Auto

Deleted:

Deleted:

Deleted: 3

Deleted: 3

Moved (insertion) [8]

Deleted: User Fees and Charges¶

Formatted: Font color: Auto

Formatted: No underline, Font color: Auto

Property Tax Assumptions: Winnebago County is mandated to follow the Illinois Property Tax Extension Limitation Law (PTELL) by the State of Illinois. PTELL allows governing bodies the ability to cover the costs of inflationary increases incurred in their day-to-day operations by increasing their previous year's extension by the CPI or 5%, whichever is smallest. For fiscal year 2024 the CPI is 5.0%. During the budget process, County Administration will present the increases available if the County Board chooses to capture new growth and/or to utilize the CPI increase authorized under PTELL in the calculation of property tax revenues when developing the fiscal year 2024 budget. The Finance Committee will inform the Chief Financial Officer of the amount of the levy to include in the budget document.

User Fees and Charges: All user fees and charges should be reviewed by County Administration, Elected Officials and Appointed Department Heads on an annual basis to ensure the fee collected is covering the cost of service provided (subject to State Statutes).

The County charges user fees for items and services which benefit a specific user more than the general public. State statutes or an indirect cost study determines user fees. Fee studies based on costs are conducted as needed to determine the level of fees needed to equal the total cost of providing the service.

Other FY2024 Revenue Assumptions:

- Nonrecurring (one-time) revenue sources will be used for operations unless directed for a specific use by the County Board.
- Cannabis Sales and Excise Taxes support the General Fund.
- All gaming-related revenue, including off-track betting, casino, and video gaming revenues, support the Capital Projects Fund.
- Sale of assets support the Capital Projects Fund.
- New funding sources with a restricted purpose will be reviewed by the County Board to ensure appropriate usage at the department level. Additionally, these funding sources will be identified by a designated project number to meet reporting requirements by the funding agency.

Formatted: Font color: Auto

Formatted: Font: 11 pt

EXPENSE ESTIMATIONS

Salary and Wage Estimates: Each department will be provided a budget document outlining the employees of the department with their rate of pay as of the date of the preparation of the document. It is the responsibility of the department to review the list including the position titles and employment status (FT, PT or seasonal). The department shall budget for any contractual obligations as outlined in respective bargaining contracts for the upcoming year. The department should include any vacant positions that are not included on the list if the intent is to fill that position in the upcoming year.

Formatted: Font: 11 pt

Formatted: Font: 11 pt

Formatted: Font: 11 pt, No underline

Formatted: No underline

The Finance Committee will provide the County Administrator the non-union employee wage increase rate to include in the budget document. The Finance Committee will make a recommendation no later than the 1st Finance Committee meeting in June. Non-bargaining employees are eligible to receive the one-percent longevity pay in accordance with County policy and this should be included in the development of the salary and wage budgets.

Moved (insertion) [9]

Deleted: WAGE ADJUSTMENTS¶

Employees transferring from one County department to another will be allowed to retain their accrued vacation upon transfer. The new department will assume the liability should the employee terminate their employment while employed by said department.

Grant Budgets: Each department should submit a separate budget document for ongoing grant awards by the project (award) number. Grant revenue estimates should equal grant expenditure estimates for reimbursement-based grants. Grant award performance periods may not align with the County's fiscal year. In such cases, the department should estimate to the best of their ability the expenses that will be incurred for the grant program during the County's fiscal year. Grant budgets should include all applicable expenses as defined in the grant award and approved grant budget.

Formatted: No underline

New grant awards will be budgeted at the time the County Board accepts the award. See further details in the Grant Policy and Grant Procedures documents.

Other FY2024 Expense Assumptions:

- In the event of loss of Federal or State funding and/or reimbursement for specific services, it is understood that Department/Elected Official will be expected to either reduce funded services or identify other reductions/revenue increases to offset the losses. Exceptions will be addressed on a case-by-case basis.
- Contractual obligations should be included in the budget request and, if applicable, noted as a supplemental request.
- Equipment needs and repairs that do not meet the criteria of a capital request as defined below should be included in the departmental operating budgets.
- All appropriations that have not been expended or appropriated to ongoing capital improvement projects shall lapse at the end of the fiscal year.

CAPITAL IMPROVEMENT PROJECTS (CIP) PLANNING AND BUDGETS

The CIP budgets are necessary to provide adequate consideration of the County's short-term and long-term needs and strategic goals and evaluate the options and timing availability of funds to address those needs. As noted in the Revenue Estimate section of this document, the CIP Fund will be funded through Gaming revenue, sale of assets and excess funds in the General and PSST funds. CIP includes major construction, expansion, purchase or major repair of buildings and other physical structures. CIP may also include fleet and equipment replacement needs. Per the County asset policy, capital projects should have a component value greater than \$12,000 and should have a useful life greater than three to five years. CIP does not include highway department projects or equipment funded by grant or other funding sources.

Each Department Head/Elected Official will submit a list of capital needs for the next five years on the document provided for capital requests. Requested projects should be prioritized by the departments. The requesting department should note the need for funding of the project. In addition to the cost of completing the project, the department should identify any costs to operate and maintain the asset over its useful life. These additional expenses would need to be included in the department's operating budget.

Only projects included in the first year of the plan will be considered for approval and funding. Projects presented for future years are shown for planning purposes only. Funding for a capital plan will be reviewed in conjunction with the annual budget. Submittal of capital needs does not guarantee funding.

Approved CIP projects will be appropriated in the Capital Projects Improvement Fund. County Administration has developed a team consisting of the County Administrator, Chief Financial Officer and representatives from Finance, Purchasing, Facilities, IT and the Sheriff. This team will meet regularly to review and discuss the progress of approved projects.

Capital project appropriations, unlike operating budget appropriations, are typically one-time in nature and the project may take multiple years to complete. Budgetary control for these projects will be at the fund and project level which differs from operating budgets. Due to the fact that capital projects may cross fiscal years, the County Administrator/Chief Financial Officer will have the authority to rollover available project balances to the next fiscal year during the budget preparation process. Each previously approved project will be reviewed with department heads prior to the calculation of the rollover amount. Factors Administration will consider when

Moved (insertion) [10]

Deleted: Federal and State Funded Programs¶

Formatted: Font: 11 pt

Formatted: List Paragraph, Bulleted + Level: 1 + Aligned at: 0.25" + Indent at: 0.5"

Deleted:

Deleted:

Deleted: ¶

Formatted: Font: 11 pt

Deleted: <#>¶
Supplemental Requests¶
Due to anticipated revenue shortfalls in the 2023 budget year no additional funding will be provided during the budget preparation process. Exceptions may be considered by the County Administrator on a case by case basis. Departments with c

Moved up [4]: <#>Exceptions may be considered by the County Administrator on a case by case basis.

Deleted: <#>agreements

Deleted: <#>may be required to make budget adjustments in order to meet contractual obligations.

Formatted: Font: 11 pt

Formatted: Normal, No bullets or numbering

Formatted: Font: 11 pt

Formatted: Font: 11 pt

Formatted: Font: 11 pt

Formatted: Font: 11 pt

Formatted: Font: 11 pt

Formatted: Font: 11 pt

Formatted: Font: 11 pt, Font color: Auto

Moved (insertion) [11]

Deleted: CAPITAL BUDGET - LONG TERM¶

Deleted: three

Deleted:

Formatted: Font: Bold

Formatted: Font: 11 pt, Font color: Auto

calculating the rollover amount would include the timing of any remaining payments and estimated completion percentage. The current year estimated actuals plus any amounts included in the rollover budget will not exceed the amount of the original approved project budget. Administration will not rollover any capital project funds which have not had activity for two fiscal years. A listing of project budgets that are to be rolled over will be reviewed by the aforementioned Administration team and included in the final budget package as presented to the County Board.

CIP appropriations funding projects belonging to the two Enterprise Funds will be budgeted in those respective funds in order to properly track assets according to GAAP and financial reporting. Approval of CIP projects related to these funds will require a budget amendment including a plan to transfer funds from the CIP fund to the Enterprise fund and expenditures for the project in the Enterprise fund. Actual transfers will only be recorded by Finance as related projects are completed.

BUDGET AMENDMENT PROCESS (AFTER ADOPTION BY THE BOARD):

All requests for budget amendments must start with a completed Budget Amendment Form (available upon request from Finance) submitted to the Chief Financial Officer, who upon review, will work with the requesting department head in preparing an ordinance (if required) in the County Board approved format for committee and board presentation.

- The County Board must approve all transfers of budgets between departments or funds by a 2/3rd majority vote (14) of the County Board. (Transfers may not be made from certain special purpose funds to other funds).
- Additional (emergency) appropriations must also be approved by a 2/3rd majority vote (14) of the County Board.
- Budgetary control over expenditures exists at the object-class-level (character code). Line item transfers between object-class-level (character code) or object codes may be requested by the department and approved by the Chief Financial Officer, provided the total amount appropriated by the County Board for the respective department (org code) is not exceeded.

FINANCIAL POLICIES

The following pages include financial policies that have been approved by the County Board. These policies should be considered in addition to the Budget Development Guidelines in completion of budgets.

FISCAL YEAR

The County's fiscal year is October 1st through September 30th. (Set by County Board per 55 ILCS 5/6-1-001).

ACCOUNTING/ AUDITING

State statutes require an annual audit by independent certified public accountants (55 ILCS 5/6-31003). An Annual Comprehensive Financial Report shall be prepared according to the criteria set by the Government Finance Officers Association (GFOA). The County follows Generally Accepted Accounting Principles (GAAP) as set forth by the Governmental Accounting Standards Board (GASB).

Formatted

Formatted: Space Before: 5 pt, After: 10 pt, Line spacing: Multiple 1.15 li

Formatted: Font:

Moved (insertion) [12]

Formatted: Font: 11 pt

Deleted: P...CESS (AA...TER AA...OPTION BB... TT

Deleted: accessed on the Finance Department page of the County website

Deleted: , which is the budgetary level of control over expenditures,

Deleted: <#>The Chief Financial Officer and the County Administrator during the normal course of the budget preparation process may make budget revisions prior to the final board approval of the budget. It should be noted that budget revisions made after the first reading but

Formatted: Font color: Auto

Moved (insertion) [13]

Formatted: Font: 11 pt

Deleted: ¶

Formatted: Font: 11 pt, Font color: Red

Moved up [10]: FEDERAL AND STATE FUNDED

Formatted

Moved up [8]: USER FEES AND CHARGES¶

Formatted

Moved up [6]: REVENUE ESTIMATIONS¶

Formatted

Deleted: Nonrecurring (one-time) revenue sources will

Moved up [7]: CONSUMER PRICE INDEX¶

Formatted

Moved up [3]: FUND RESERVES¶

Formatted

Deleted: ALTERNATIVE SERVICE DELIVERY &

Moved up [9]: WAGE ADJUSTMENTS¶

Formatted

Moved up [2]: PRIORITIES¶

Formatted

Deleted: Comprehensive

ACCOUNTING AND FINANCIAL REPORTING POLICIES

Formatted: Font: 11 pt

The accounting policies of the County of Winnebago, Illinois will conform to generally accepted accounting principles as applicable to governmental units. The accepted standard-setting body for establishing governmental accounting and financial reporting principles is the Governmental Accounting Standards Board (GASB). It shall be the intent of the County to maintain a self-balancing set of accounts on an on-going basis to be closed quarterly. The general ledger will be closed by the Finance department no later than 45 days after month end. The books shall remain open 90 days after the fiscal year end.

It shall be the intent of the County to maintain a program of internal controls to safeguard all assets and ensure effective and efficient use of all assets. It shall be the responsibility of the Finance Director to establish a formal set of "best practice" internal controls. In addition, the County Auditor shall ensure that all departments comply with those controls.

It shall also be the intent for the independent auditor to review the system of internal controls and report any weaknesses detected to the Board as part of the annual audit.

It shall be the intent of the County to utilize fund accounting principles and generally accepted accounting practices in the recording of all financial transactions. The general ledger shall be maintained on a cash basis, with the intent to move to an accrual basis on a quarterly basis. The Finance Committee will be provided with budget versus actual revenue and expenditure reports on a quarterly basis.

It shall be the intent of the County to prepare annually an Annual ~~Comprehensive~~ Financial Report to be presented to the Board no later than 180 days after year-end. The Annual ~~Comprehensive~~ Financial Report should be audited by an independent CPA firm experienced in governmental auditing. It shall be the further intent of the County to present its Annual ~~Comprehensive~~ Financial Report to the Government Finance Officers Association to receive the Certificate of Excellence award in financial reporting. If at any time the County will not receive an unqualified opinion from the CPA firm, the CPA firm and the Finance Director will notify the Board prior to the issuance of the report.

Deleted: Comprehensive

Deleted: Comprehensive

Deleted: Comprehensive

It shall be the intent of the County to maintain a capital asset ledger of all permanent assets acquired. The Finance department will maintain these asset records on an on-going basis to ensure proper controls and report annually regarding these records to the Board. No asset will be considered fixed unless its value or component value exceeds \$12,000 dollars or in the case of infrastructure assets purchased or acquired with an original cost of \$50,000 or more.

Depreciation will be charged on all capital assets. This policy is consistent with the requirements of GASB Statement No. 34. Depreciation will be recorded on a straight-line basis over the normal useful life of the asset.

It shall be the intent of the County to manage all accounts receivable. Accounts receivable are created by operations in certain departments and offices. In general, they arise at the renewal of a permit or license from departments such as Health, River Bluff Nursing Home or Transportation. The department or office that is responsible for the billing is responsible for collections and managing receivables. Consistent with good financial management, each department and office will age their receivables. Departments and Offices shall continue collection efforts.

The Finance department remits vendor payments on a regular schedule twice a month. Vendor payments are released by the County Clerk's office per the defined schedule. Emergency requests for payment are considered

on a case-by-case basis. All remittances will be mailed unless there is a business purpose requiring a department to obtain the check at which time a release form will need to be signed.

It is the intent of the County to comply with the modified accrual basis of accounting, in which revenues are recorded when they are both measurable and available. The County considers revenue to be available if they are collected within 60 days of the end of the current fiscal period for property taxes, 180 days of the end of the current fiscal period for certain health department and County reimbursable grants, and 90 days of the end of the current fiscal period for all other amounts.

GRANTS

The purpose of this policy is to ensure that all grant-funded programs or projects are managed according to the terms set forth in the grant agreement, Winnebago County Grant Administration Policies and Procedures and other applicable County policies and procedures. To inform the County Board of the value of a new grant program, the Board must have full knowledge of the total cost and/or impact of the program and its funding sources. It is a requirement that departments administrating grants are familiar with the grant administration policies and procedures; in addition to individual grant requirements.

A grant is an amount of money that a government or other institution gives to an individual or to an organization for a particular purpose.

The following should be considered when applying for, accepting, and/or managing grant awards;

▼ The County Board's definition of a conflicting special condition is:

- A new grant is a grant awarded for a purpose that has not been previously supported by grant funding.
- Grant Award Agreement Federal/State/Local compliance requirements.
- If Indirect Costs are allowable, all new grant application budgets should include the County's 10% de minimis indirect cost rate. If not included, the explanation shall be included in the Grant Summary Worksheet.
- Departments who apply for grants that require a local match must find the local match within their budgets.
- Departments who apply for new grants must understand the special conditions associated with their funding and inform the County Board of the conditions in the Resolution, prior to approval. Upon Board acceptance and approval, the County Board Administration Staff will log each special condition into the Special Conditions System of Register.
- The County Board's definition of a conflicting special condition is any special condition of funding (outside of standard state/federal conditions) that may prohibit another department's ability to apply for funding.

Moved up [1]: All operating funds are appropriated in the "Official Budget". Appropriations will be considered the maximum authorization to incur obligations and not a mandate to spend.¶

Deleted: BALANCED BUDGET BY FUND¶
The intent of the Finance Committee is the budget must balance expenditures against available revenues and fund balance by fund.¶
BUDGET PRESENTATION¶

Moved up [5]: When an Elected Official/Department Head has completed the required budget forms, a meeting

Deleted: APPROPRIATION¶

Formatted: Font: 12 pt

Formatted: Font: 12 pt

Moved up [11]: CAPITAL BUDGET - LONG TERM¶

Formatted: Font: 11 pt

Formatted: Font: 12 pt

Moved up [13]: FISCAL YEAR¶

Formatted: Font: 11 pt

Formatted: Font: 12 pt

Formatted: Font: 11 pt

Formatted: Font: 11 pt, Font color: Auto

Formatted: Font color: Auto

Formatted: Font: 11 pt, Font color: Auto

Formatted: Font: 12 pt, Font color: Auto

Deleted: The importance of preparing and implementing ...

Formatted: Strikethrough

Formatted: Indent: Left: 0.5", No bullets or numbering

Formatted: Strikethrough

Moved (insertion) [14]

Deleted: Award

Formatted: Indent: Left: 0.5", No bullets or numbering

Moved (insertion) [15]

Deleted:

Formatted: Indent: Left: 0.5", No bullets or numbering

Formatted

Deleted: ¶

Deleted: ¶

Deleted: ¶

- Upon notification of a grant award (new or renewal), departments will submit to the respective Committee:
 - Executive Summary and Resolution,
 - Original Grant Award Agreement,
 - Winnebago County Grant Summary Worksheet,
 - And any relevant attachments to the respective Committee.

Upon Committee approval, departments will submit a budget amendment to the Chief Financial Officer to amend the respective budget. A 2/3rd vote of all members constituting the County Board is required to amend department budgets to reflect grant revenues and expenses (55 ILCS 5/6-1003).

- Grants will be controlled at the operating budget level based on the County's fiscal year.
- The grant budget will be periodically reviewed by the designated Grant Managers to ensure that the revenues and expenditures are consistent with the grant award's allowable costs.
- Designated Grant Managers will inform Finance Director of identified sub-award/sub-recipients.
- Grants will be reviewed quarterly, as needed, by the Grant Compliance Officer or Finance Director with the Department Head, Elected Official, or designated Grant Managers.

RISK MANAGEMENT

The County has an established program for unemployment, liability and workers compensation. To forecast expenditures, the County considers claims, retention levels, fixed costs, and fund reserves.

INVESTMENT POLICY

The County Treasurer is responsible for the investing of all Winnebago County funds (55 ILCS 5/3-11006). It is always prudent for any public unit to have an Investment Policy in place for the purpose of safeguarding funds, equitably distributing the investments, and maximizing income of the governmental unit. The following policy is adopted for the Winnebago County Treasurer's Office.

SCOPE OF INVESTMENT POLICY

This Investment Policy applies to the investment activities of all funds under the jurisdiction of the Winnebago County Treasurer. This Investment Policy will also apply to any new funds or temporary funds placed under the jurisdiction of the Winnebago County Treasurer. The Illinois Compiled Statutes will take precedence except where this policy is more restrictive, wherein this policy will take precedence.

OBJECTIVES

The purpose of this Investment Policy of the Winnebago County Treasurer is to establish cash management and investment guidelines for the stewardship of public funds under the jurisdiction of the Winnebago County Treasurer. The specific objectives of this investment policy will be as follows:

1. Safety of Principal.
2. Diversity of investment to avoid unreasonable risks.
3. The portfolio shall remain sufficiently liquid to meet all operating costs, which may be reasonably anticipated.

Formatted: Font: 11 pt

Formatted: Font: 11 pt

Deleted: an

Formatted: Font: 11 pt

Deleted: as well as the

Formatted: Font: 11 pt

Deleted: Grant Award Summary, award,

Deleted: a

Formatted: Font: 11 pt

Formatted: List Paragraph, Left, Add space between paragraphs of the same style, Bulleted + Level: 2 + Aligned at: 0.75" + Indent at: 1"

Formatted: Font: 11 pt

Deleted: ¶

Formatted: Font: 11 pt

Formatted: List Paragraph, Left, Indent: Left: 1", Add space between paragraphs of the same style

Deleted: ¶

¶

Formatted: Font: 11 pt

Deleted: ¶

Formatted: ...

Deleted: ¶

Moved up [15]: Departments who apply for grants that

Moved up [14]: If Indirect Costs are allowable, all new

Deleted: ¶

Deleted: t "operating-budget"

Deleted: County Administrator and Finance Director

Deleted: as

Deleted: ¶

Deleted: To manage County administrative costs, it sh

Formatted: ...

Formatted: Indent: Left: 0.5", Line spacing: single

Formatted: ...

Deleted: semi-annually by the County Administrator o

Moved (insertion) [16]

Formatted: ...

Formatted: Heading 1

Formatted: Font: 11 pt

Formatted: Font: 11 pt

4. The highest interest rate available will always be the objective of this policy, combined with safety of principal. The Winnebago County Treasurer will require full collateralization of any deposits.
5. In maintaining its investment portfolio, the Winnebago County Treasurer shall avoid any transaction that might impair public confidence in the Winnebago County Treasurer's Office.
6. The Winnebago County Treasurer will give consideration to the financial institutions positive community involvement when consideration is given to the financial institution to be used as a depository.
7. All funds will be invested for a period of one day or longer, depending on the requirement for the disbursement of funds.
8. All funds shall be deposited within two working days at prevailing rates or better, in accordance with Illinois Compiled Statutes.

RESPONSIBILITY

All investment of funds under the control of the Winnebago County Treasurer is the direct responsibility of the Winnebago County Treasurer. The Winnebago County Treasurer shall be responsible for all transactions and shall establish a system of controls of the activities of all subordinates who are directly involved in the assistance of such investment activities.

Formatted: Font: 11 pt

PRUDENCE

The standard of prudence to be used by investment officials shall be the "prudent person," and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and exercising due diligence shall be relieved of personal responsibility for any individual securities credit risk or market price changes, provided that deviations from expectation are reported in a timely fashion, and appropriate action is taken to control adverse developments.

Formatted: Font: 11 pt

ACCOUNTING

All investment transactions shall be recorded by the Winnebago County Treasurer or the Winnebago County Treasurer's staff. A report will be generated, at least monthly, listing all active investments, including information regarding securities in portfolio by class or type, book value, interest earned and market value as of report date. This report will be made available to the Winnebago County Board and Winnebago County Treasurer.

Formatted: Font: 11 pt

FINANCIAL INSTITUTIONS

The Winnebago County Treasurer will have the sole responsibility to select which financial institutions will be depositories for Winnebago County Treasurer funds. The Winnebago County Treasurer will take into consideration security, size, location, condition, service, fees and the community relations involvement of the financial institution when choosing a financial institution.

Formatted: Font: 11 pt

At no time will the Winnebago County Treasurer investments exceed 65% of the financial institution's capital and surplus.

All financial institutions having any type of financial relationships: deposit investments, loans, etc., are required to provide a complete and current "Call Report," required by their appropriate regulatory authority each calendar quarter within 30 days of the "Call" request date.

INVESTMENT VEHICLES

Formatted: Font: 11 pt

The Winnebago County Treasurer will use investments approved for governmental units as set forth in the most current issue of the Illinois Compiled Statutes.

Deleted: ¶
¶

Formatted: Font: 11 pt

COLLATERAL

In order to protect the funds of Winnebago County, it will be a standard practice of the Winnebago County Treasurer to require that all deposits in financial institutions be collateralized. Collateral shall be held under the name of Winnebago County. During the term of the deposit, at least 102% collateralization will be required whenever deposits exceed the insured limits of FDIC. The Winnebago County Treasurer will require a signed

Pledge Agreement between Winnebago County, the Financial Institution, and the Holding Company to be on file at all times.

102% of collateralization of the deposit will be required. Only the following collateral will be accepted:

- U.S. Government direct securities
- Obligations of Federal Instrumentalities
- Obligations of the State of Illinois
- Obligations of the County of Winnebago
- Obligations of municipalities located within the County of Winnebago, subject to acceptance by the Winnebago County Treasurer
- Acceptable Collateral as identified in the Illinois Compiled Statutes for use by the Treasurer of the State of Illinois

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the possible income to be derived.

The above standard is established as the standard for professional responsibility and shall be applied in the context of managing the Winnebago County Treasurer's portfolio, pursuant to the Public Funds Investment Act at 30 Illinois Compiled Statutes 235/2.5 and other provisions included in that Act, along with all other Statutes and Constitutional provisions regarding conflicts of interest and ethical considerations.

SECURITY CONTROLS

Formatted: Font: 11 pt

Only the Winnebago County Treasurer is authorized to establish financial accounts for the office of Winnebago County Treasurer. At all times either the Winnebago County Treasurer, singly or signatories as designated by the Winnebago County Treasurer, should be authorized to sign on financial accounts of the office of the Winnebago County Treasurer.

Formatted: Font: 11 pt

Moved up [16]: Risk Management¶

¶
¶
¶
¶

The County has an established program for unemployment, liability and workers compensation. To forecast expenditures, the County considers claims, retention levels, fixed costs, and fund reserves.¶

Deleted: ¶

¶
¶

ADOPTION

This investment policy or similar policy has been in effect since January 1, 2022. Last revision March 12, 2022.

FISCAL YEAR 2024 BUDGET CALENDAR

Budget Task	Date
Chief Financial Officer and Finance Department to review budget process, refine budget requirements, determine budget calendar and prepare preliminary budget guidelines	Feb 1 st to March 10 th
Finance Committee to review Budget Calendar	March 16 th
Finance Committee to approve 2024 Budget Policy & Guidelines	April 6 th
County Board to approve 2024 Budget Policy & Guidelines	April 13 th
Budget preparation materials are distributed to departments	May 3 rd
Initial forecast of Fiscal Years 2023 and 2024 with tax levy options to be presented to the Finance Committee	June 15 th
Departments to submit all budget documents to the Chief Financial Officer	June 16 th
Departments to submit Budget & Outcome Goals to the Chief Financial Officer	June 21 st
Chief Financial Officer and Administrator to review all preliminary budgets with Departments	June 22 nd – 30 th
Recommended budgets are provided to Department Heads/Elected Officials	July 7 th
<u>Finance Committee will review department budget presentations (if necessary)</u>	<u>July 20th</u>
<u>Budget to be reviewed by Chairman, Administrator and Chief Financial Officer</u>	<u>July 25th</u>
<u>County Administrator to present recommended budget to the Committee of the Whole</u>	<u>Aug 10th</u>
<u>Finance Committee to make recommended budget changes (if necessary)</u>	<u>Aug 17th</u>
<u>Truth in Taxation Hearing (we will schedule a date if needed)</u>	
<u>Department Heads and Elected Officials sign off sheet on budgets and capital requests due in the Finance Department</u>	<u>Aug 23rd</u>
<u>Finance Committee to vote on County Budget Ordinance</u>	<u>Aug 31st</u>
<u>County Board to place balanced Proposed Budget on public display</u>	<u>Sept 7th</u>
<u>County Board to adopt the appropriation and tax levy ordinance/budget</u>	<u>Sept 28th</u>

- Deleted: ISCAL...SCAL YEAR...AR 20243...BUDGET...DGET
- Formatted
- Formatted Table
- Deleted: ...review
- Deleted: 7
- Deleted: 3
- Deleted: 7
- Deleted: 3
- Deleted: 4
- Deleted: 2...n
- Deleted: 2...3 and 2023
- Deleted: 6
- Deleted: 7
- Formatted
- Deleted: 0th
- Deleted: 6
- Deleted: Finance Committee will review department
- Formatted
- Deleted: July 7th
- Deleted: Finance Committee will review department
- Deleted: July 21st
- Deleted: July 25th
- Deleted: Budget to be reviewed by Chairman,
- Deleted: County Administrator to present recommended
- Deleted: Aug 4th
- Deleted: Committee of the Whole immediately following
- Deleted: Aug 11th
- Formatted
- Deleted: Aug 18th
- Deleted: Finance Committee to make recommended
- Deleted: Truth in Taxation Hearing (if needed)
- Formatted
- Deleted: Aug 18th
- Deleted: County Board to place balanced Proposed Budget
- Deleted: Sept 8th
- Deleted: County Board to adopt the appropriation and ta
- Deleted: Sept 29th
- Deleted: ¶
- Moved up [12]: BUDGET AMENDMENT PROCESS (AFTER
- Deleted: ¶

Exhibit C

BUDGETARY PRIORITIES

Direction is hereby given to the County Administrator and the Chief Financial Officer to create the fiscal year 2024 budget with the following priorities:

1. Debt service payments required
2. Contractual payments based on lease agreements, software agreements and other contractual agreements
3. Mandated services at affordable funding levels
4. All operating necessities (Utilities, IMRF, Health Insurance, Liability Insurance)
5. General operating costs to provide services
6. Non-Union employee compensation
7. Capital needs of the organization
8. Meeting the 25% unrestricted reserve requirement of the General Fund and PSST Fund (See Fund Reserves and Balanced Budgets Section)
9. Outside agency funding to include non-obligated Host Fee Grants and local matching grants

FUND RESERVES AND BALANCED BUDGETS

The intent of the Finance Committee is the budget must balance ~~expenditures against available revenues and fund balance~~ by fund. Special revenue fund expenditure budgets cannot exceed available fund balance of the fund. Special revenue funds with a negative fund balance will not be allowed to submit an expenditure budget until the negative fund balance has been eliminated.

The County has developed a fund reserve policy in which it shall be the intent of the County Board to maintain an unrestricted (total of unassigned) fund balance equal to three months of budgeted operating expenditures in the General Fund and the Public Safety Sales Tax Fund. Surpluses in excess of the necessary reserve required by this policy shall be transferred to the Capital Projects Fund. In addition, it is the intent of the County Board to maintain an unrestricted fund balance equal to three months of budgeted operating expenditures in the River Bluff Nursing Home fund.

BUDGET SUBMITTAL AND PRESENTATION PROCESS

Elected Officials and Department Heads shall be provided budget worksheets with existing levels of funding. Based on revenue estimates for the current and next fiscal year, funding levels may be reduced from the current year's appropriations. Elected Officials and Department Heads are encouraged to analyze all services and programs for the cost of the programs, citizen demand, and mandates by Federal, State or County law.



Resolution Executive Summary

Prepared By: David J. Rickert
Committee: Finance Committee
Committee Date: 5-4-2023
Resolution Title: Resolution to Approve Payment of Stipends to the Regional Superintendent and Assistant Regional Superintendent of Schools (Boone and Winnebago Counties)
County Code: N\A
Board Meeting Date: 5-11-2023

Budget Information:

Was item budgeted? Not Applicable	Appropriation Amount: Not Applicable
If not, explain funding source: Not Applicable	
ORG/OBJ/Project Code: Not Applicable	Budget Impact: Not Applicable

Background Information: The County Board of the County of Winnebago, Illinois, desires to provide stipends to the Regional Superintendent and Assistant Regional Superintendent of Schools (Boone and Winnebago Counties) in the total amounts of twenty-five thousand dollars (\$25,000.00) and fifteen thousand dollars (\$15,000.00), respectively. The Resolution shall be in full force and effect October 1st, 2023.

Recommendation: Administration supports this resolution

Contract/Agreement: Not Applicable

Legal Review: States Attorney's Office did review this proposal

Follow-Up: Will be included in fiscal year 2024 budget

**RESOLUTION
OF THE
COUNTY BOARD OF THE COUNTY OF WINNEBAGO, ILLINOIS**

2023 CR _____

SUBMITTED BY: FINANCE COMMITTEE

SPONSORED BY: JOHN BUTITTA

**RESOLUTION TO APPROVE PAYMENT OF STIPENDS TO THE REGIONAL
SUPERINTENDENT AND ASSISTANT REGIONAL SUPERINTENDENT OF
SCHOOLS (BOONE AND WINNEBAGO COUNTIES)**

WHEREAS, Section 3-2.5 of the School Code, [105 ILCS 5/3-2.5)] provides that “County boards may provide for additional compensation for the regional superintendent or the assistant regional superintendents, or for each of them, to be paid quarterly from the county treasury” (School Code); and

WHEREAS, both the Regional Superintendent and Assistant Superintendent (Boone and Winnebago Counties) have taken on additional duties and responsibilities within the Regional Office of Education (Boone and Winnebago Counties) and the Office shall have sufficient funding within its fiscal year 2024 budget for both stipends and future stipends shall be budgeted; and

WHEREAS, the stipends for the Regional Superintendent and Assistant Regional Superintendent of Schools shall be paid on a pro-rated quarterly basis; and

WHEREAS, the County Board of the County of Winnebago, Illinois, desires to provide the stipends to the Regional Superintendent and Assistant Regional Superintendent of Schools (Boone and Winnebago Counties) in the total amounts of twenty-five thousand dollars (\$25,000.00) and fifteen thousand dollars (\$15,000.00), respectively.

THEREFORE, BE IT RESOLVED, by the County Board of the County of Winnebago, Illinois, that it approves payment of the stipends to the Regional Superintendent and Assistant Regional Superintendent of Schools (Boone and Winnebago Counties) in the total amounts of twenty-five thousand dollars (\$25,000.00) and fifteen thousand dollars (\$15,000.00) respectively, which shall be paid on a pro-rated quarterly basis, and any future stipends shall be budgeted.

BE IT FURTHER RESOLVED, that the Resolution shall be in full force and effect October 1st, 2023.

BE IT FURTHER RESOLVED, that the Clerk of the County Board shall prepare and deliver certified copies of this Resolution to the Winnebago County Finance Department and the Regional Superintendent of Schools (Boone and Winnebago Counties).

Respectfully Submitted,
FINANCE COMMITTEE

AGREE

DISAGREE

JOHN BUTITTA, CHAIRMAN

JOHN BUTITTA, CHAIRMAN

JAIME SALGADO, VICE CHAIRMAN

JAIME SALGADO, VICE CHAIRMAN

JEAN CROSBY

JEAN CROSBY

JOE HOFFMAN

JOE HOFFMAN

KEITH McDONALD

KEITH McDONALD

JOHN F. SWEENEY

JOHN F. SWEENEY

MICHAEL THOMPSON

MICHAEL THOMPSON

The above and foregoing Resolution was adopted by the County Board of the County of
Winnebago, Illinois this _____ day of _____ 2023.

ATTESTED BY:

JOSEPH V. CHIARELLI
CHAIRMAN OF THE COUNTY BOARD
OF THE COUNTY OF WINNEBAGO, ILLINOIS

LORI GUMMOW
CLERK OF THE COUNTY BOARD
OF THE COUNTY OF WINNEBAGO, ILLINOIS



March 10, 2023

Chairman Chiarelli,

Thank you, and the Winnebago County Board, for taking into consideration a stipend, to be paid, to the Regional Superintendent and Assistant Superintendent of Schools.

In consideration of this, I would ask the board to consider the following:

- Our Regional Office of Education is one of the largest in the state in relation to the amount of students we serve in our region (13 public school districts and over 50,000 students) with additional support to our non-public schools.
- We have one of the largest staffs in the state (nearing 100).
- We have the largest alternative school program in the state (serving 300+ at risk students).
- We have one of the largest teams in the state serving students that are truant (supporting over 700 students and families).
- We annually help secure bus driver permits for over 600 drivers
- We fingerprint approximately 1,700 school employees or support staff a year.
- We increased our professional development support to our community by over 10% from the previous year (over 2,500 participants) and we will serve more this year.
- We annually inspect 111 buildings for fire and health life safety code violations.
- We have provided building permits to over 50 projects totaling nearly \$120,000,000 in construction projects in FY 23.
- We lead a region wide Social Emotional Support initiative from the State Board of Education encompassing 7 Regional Offices of Education for Northwest Illinois.
- In addition, we offer more services and supports.

As a Regional Office we have not asked for an increase in our budget from the County Board in over 6 years. We have made cuts to personnel and become more efficient. To this end, in addition to the regular duties these two positions have in leading an organization and a staff our size, we have taken on the extra duties as technology support, Health Life Safety coordinator, compliance audits, permit applications, and director of the regional SEL work as described above.

The base pay for all regional superintendents of the state is paid by the Illinois State Board of Education (105 ILCS 5/3-2.5). The statute goes on to state at the end of subsection (a) that the Regional Superintendent's respective County Board may provide additional compensation. This is precisely what many County Boards have done for their Regional Superintendents.

As proposed to Mr. Thompson in our discussions over the last few years, this stipend can be paid with the current budget the County Board has allocated. There would be no need for extra funding or even a budget amendment.

I was asked to research a fair amount for the stipend and it ranged in a variety of amounts but the common amount was that many are paid a stipend similar to comparable positions within the County Government. In looking at the published salaries in the County, I believe what has been requested is fair.

Lastly, as presented in the resolution created by the States Attorney's office, the annual stipend would always be subject to available funds within the Board approved budget. This is a protection for the County Board to know our intention would not receive the stipend one year then ask for a large increase to sustain it in the future. Any additional funding for our budget would be tied to specific needs or staffing NOT connected with the roles and responsibilities we carry in our local office.

In summary I believe the County Board should support this for the following reasons:

- We are a leading Regional Office of Education providing some of the highest quality and quantity of support to our schools in the state,
- School Code clearly allows this as an option,
- We have provided a proposal with checks and balances in it to protect the County Budget in the future,
- And we can and will fund it with the already approved budget with no additions or amendments needed.

For further information on the work we provide, I have included a link to our annual report to help get a picture of the service we provide.

<https://roe4.org/images/advocate/2022-annual-report-boone-winnebago-roe4.pdf>

I thank you for your consideration.

Scott Bloomquist
Regional Superintendent of Schools
CC: Patrick Thompson