

16-1

**A Resolution Setting Forth Budget Policies
For the Preparation of the
FY2006 County Budget**

WHEREAS, the County Board of Sangamon County, Illinois is required by law to prepare and adopt an annual budget; and,

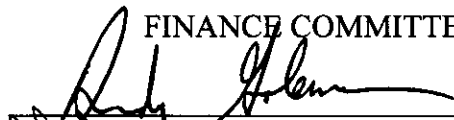
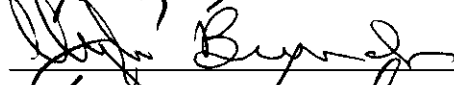
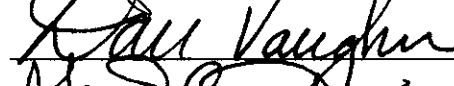
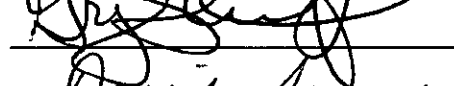
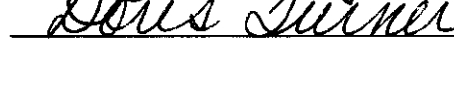
WHEREAS, the Finance Committee believes the development of the annual budget will be facilitated by the adoption of policy guidelines and a budget preparation schedule by the County Board; and,

WHEREAS, these guidelines and schedule, once adopted, will be applied to all Sangamon County Departments under all funds for the submission, review and approval of their budgets; and,

NOW THEREFORE, BE IT RESOLVED by the County Board of Sangamon County, Illinois, that the attached "FY2006 County Budget Policy Guidelines" and "FY2006 Budget Schedule" are hereby adopted by the County Board for use during the preparation of the FY2006 Budget.

Respectfully submitted,

FINANCE COMMITTEE

 _____, Chairman
 _____, Member
 _____, Member
 _____, Member
 _____, Member
_____, Member
_____, Member
_____, Member

FILED

JUL 27 2005


Sangamon County Clerk

RECEIVED

JUL 26 2005

Paul Palazzolo
SANGAMON COUNTY AUDITOR

FY2006 COUNTY BUDGET POLICY GUIDELINES

1. The County Board shall adopt a balanced budget for the General Fund and all Special Tax Funds. Final amounts for the FY2006 Budget shall be determined by the Finance Committee and recommended to the County Board so that the total of all expenditure amounts in a fund are equal to the revenue anticipated for that fund, plus any authorized available fund balance.
2. The County Board, through its Finance Committee, shall use a modified Target Budget Process. The Finance Committee will review the budget requests, anticipated revenues and available fund balances. Final target figures will be allocated to each individual budget so that the sum of all target figures equals available revenue and available fund balances. There will be no across-the-board increases to line items.
3. The County property tax levy shall be limited to the lesser of 5% or the increase in the national Consumer Price Index (CPI) for the year preceding the levy year. Abatement of property tax levies shall be considered whenever it is determined to be fiscally responsible to do so.
4. No programs or services will be established or expanded by Sangamon County during FY2006 unless one of the following situations exists:
 - A. The County Board shall determine that such new or expanded programs or services generate sufficient income to offset the actual cost thereof; or,
 - B. The County Board shall determine that such new or expanded programs or services generate sufficient cost benefit to the County over the long run to be worthy of implementation; or,
 - C. The County Board is duly informed that such programs or services are required by State or Federal law. If such programs or services are so mandated after the setting of the FY2006 Budget, such programs or services shall be reviewed by the County Board and, if approved, funded by an emergency appropriation.
5. No additional employees above the FY2005 authorized positions that exist as of the date this Resolution is adopted shall be funded through the FY2006 Budget, except as provided for in Item #4 above. **All FY2006 hires require the approval of the department's respective oversight committee and the Finance Committee. The flexible hiring freeze shall be in effect throughout the fiscal year.**

Personnel line items will be determined based only on the current salaries of authorized positions as designated by the Department's organizational chart.

6. No vehicles shall be added to any Department fleet and no replacement vehicles will be purchased unless the purchase is justified under the provisions of Item #4.

7. In planning for the preparation of the Budget for FY2006, the County Board shall strive to maintain the County's consolidated cash balance at a level sufficient to pay operating expenditures.
8. The County Board shall continue to examine all user fees and consider raising them when appropriate to insure that those individuals receiving services bear the cost of providing them.
9. Within the constraints of available funds, the County Board shall place a maximum priority on expenditures which emphasize the development and implementation of efficient and cost effective methods of operation. The County Board shall continue to actively support the maintenance of an efficient financial management system.
10. All County Departments shall, within the constraints imposed by the availability of funds, be encouraged to develop and implement automated systems which improve service to the public and are cost effective. Requests for expenditure of County controlled funds during FY2006 for automated systems will be reviewed and considered for approval by the Finance Committee.
11. In developing recommendations for the utilization of General Fund revenue, the Finance Committee shall take into consideration both present and future tax rates, fund balances and expenditures to insure that a prudent approach is taken to fund County operations over the long-run.
12. The County will continue to explore opportunities for intergovernmental agreements and opportunities for consolidation of offices or job functions which will provide for cost effective methods of providing public services and consider those which provide for an equitable distribution of costs to those citizens receiving the services.
13. Budget forms and instructions for completing them will be forwarded to all Departments. Budget dates as indicated on the attached FY2006 Budget Schedule shall be adhered to by all Departments.
14. In monitoring budget expenditures, the Finance Committee shall only be concerned with total budget figures for each Department except for personnel line items. The responsibility for the preparation and monitoring of line item budgets shall rest with the Department Head or Elected Official.
15. The proposed budget for FY2006 will be filed with the County Clerk's office for the County Board's consideration and approval at its October 11, 2005 regular meeting.
16. All budget policies as stated herein shall be applied to all Departments and shall be adhered to upon adoption by this County Board.

- 17. The County Board, its Finance Committee, and all County Departments shall accommodate proposed expenditures to the realities of a severely constricted revenue base in accordance with the wishes of the voters as expressed in the property tax limitation referendum popularly known as "tax caps". (The County's "tax cap" limit for FY2006 will be 3.3%.) The salary increase percentage for a mid-level performance evaluation rating has not yet been determined.

- 18. In accordance with the incentive compensation plan adopted for county employees and to ensure accurate budgeting for all salary lines, evaluations for all county employees must be submitted by all department heads on or before the dates specified in the performance evaluation schedule. **Failure to submit a complete performance evaluation for all employees in a department will limit compensation to the previous year's compensation level for those employees in the department who are responsible for making, reviewing, completing or approving evaluations.**

- 19. The County Board shall provide for capital improvement expenditures through a separate capital outlay budgeting process. General Fund monies may be allocated to fund the capital outlay budget within the constraints of the availability of funds. All County Departments may make documented requests for capital outlay funds. To be considered for the use of such funds, departments are to submit a Capital Improvement expenditure projection indicating the source of funds to be requested (capital outlay budget or carryover funds) and a description/justification of the improvement. Once appropriated, use of these funds requires pre-approval from the Finance Committee.

FY 2006 BUDGET SCHEDULE

- 07/26/05 – Tue Finance Committee review & approve FY2006 County Budget Policy Guidelines.
- 08/09/05 – Tue County Board review & approve “FY2006 County Budget Policy Guidelines” and “FY2006 Budget Schedule”.
- 08/10/05 – Wed Distribute target budget figures and budget instructions to County Departments.
- 08/15/05 – Mon Departments present budgets to oversight committees at regularly scheduled meeting
thru dates. Schedule with County Board Office.
- 09/21/05 – Wed
- 09/23/05 – Fri Last day for departments to return target budget with reallocated line item budget requests to Auditor’s Office.
- 9/27/05 – Tue Target Budget filed with County Clerk for 10/11/05 County Board Meeting
- 09/13/05 – Tue Finance Committee to review budgets submitted over target budget amount.
thru
- 10/25/05 – Tue
- 10/11/05 – Tue County Board Meeting to discuss target budget and proposed levy.
- 10/25/05 – Tue * 1) **File and post finalized budget with County Clerk.** This must be done 15 days prior to the adoption of levy. Every figure changed after this date will require an amendment on the Board floor. Adjustments must be coupled with revenues. **(This applies if levy is adopted with budget).**
OR
* 2) **Publish "FY2006 Budget is available for inspection".**
- 10/25/05 – Tue Finalize budget materials and levy ordinance, prepare agenda items.
- 11/08/05 – Tue * **Adoption of FY2006 Budget at regular County Board Meeting.** Present levy and interfund loan resolution to Finance Committee.
- 11/09/05 – Wed Distribute final budgets to Departments & request final verification of line items.
- 11/16/05 – Wed Last date to change budget line items prior to beginning of new fiscal year.
- 11/22/05 – Tue * Hold **Truth-In-Taxation** hearing, if required. Notice of hearing must be published no sooner than 11/08/05 (14 days prior) or no later than 11/15/05 (7 days prior).
- 11/30/05 – Wed Distribute final budget with personnel line item adjustments.
- 12/02/05 – Fri File levy ordinance with County Clerk for County Board action.
- 12/13/05 – Tue ***Adoption of FY2006 Tax Levy Ordinance.**
- 12/27/05 – Tue Last day to file approved levy and Truth in Taxation certificate w/County Clerk.
- 12/28/05 – Wed Last day to publish Truth in Taxation 2nd notice (if required).

* Note: Dates within time periods prescribed by law.