

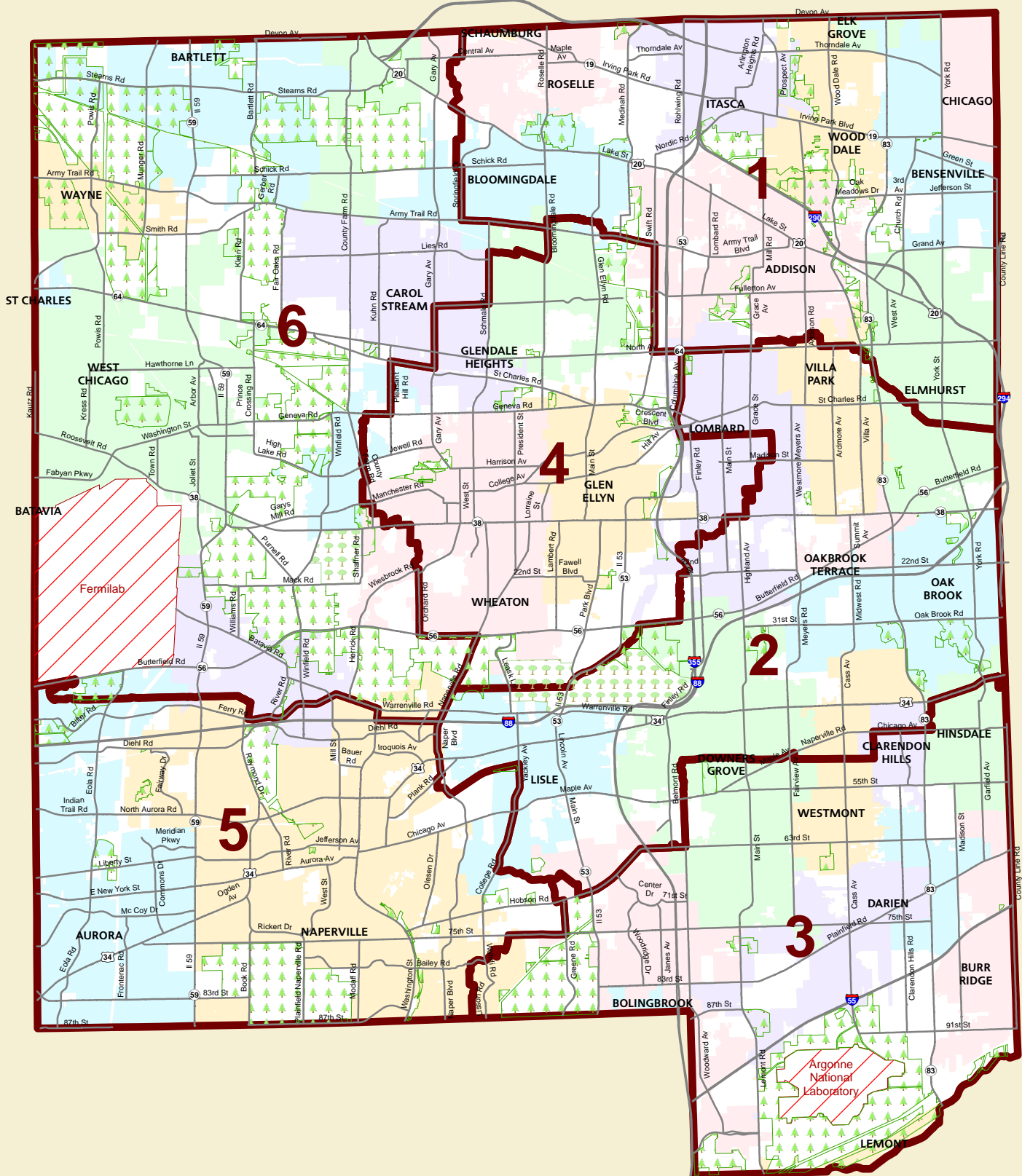
FY2013 COUNTY BOARD MEMBERS BY DISTRICT

<p>DISTRICT #1</p> <p>Paul Fichtner Republican, Elmhurst</p> <p>Donald E. Puchalski Republican, Addison</p> <p>Sam Tornatore Republican, Roselle</p>	<p>DISTRICT #2</p> <p>Elizabeth Chaplin Democrat, Downers Grove</p> <p>Peter P. DiCianni Republican, Elmhurst</p> <p>Sean T. Noonan Republican, Elmhurst</p>
<p>DISTRICT #3</p> <p>John F. Curran Republican, Woodridge</p> <p>Gary Grasso Republican, Burr Ridge</p> <p>Brian J. Krajewski Republican, Downers Grove</p>	<p>DISTRICT #4</p> <p>Grant Eckhoff Republican, Wheaton</p> <p>Amy L. Grant Republican, Wheaton</p> <p>Jerry "JR" McBride Republican, Glen Ellyn</p>
<p>DISTRICT #5</p> <p>James D. Healy Republican, Naperville</p> <p>Tonia J. Khouri Republican, Aurora</p> <p>Anthony Michelassi Democrat, Aurora</p>	<p>DISTRICT #6</p> <p>Robert L. Larsen Republican, Wheaton</p> <p>Lauren Nowak Democrat, Winfield</p> <p>James F. Zay, Jr. Republican, Carol Stream</p>



2011 COUNTY BOARD DISTRICTS

DU PAGE COUNTY, ILLINOIS

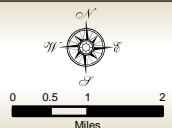


DANIEL J. CRONIN - DU PAGE COUNTY BOARD CHAIRMAN
DU PAGE COUNTY BOARD MEMBERS

- | | | |
|--|--|---|
| DISTRICT 1
Paul Fichtner
Rita Gonzalez
Donald E. Puchalski | DISTRICT 3
John Curran
Brian J. Krajewski
Michael F. McMahon | DISTRICT 5
James D. Healy
Tony Michelassi
John Zediker |
| DISTRICT 2
Patrick J. O'Shea
Jeff Redick
Brien Sheahan | DISTRICT 4
Grant Eckhoff
JR McHride
Debra Olson | DISTRICT 6
Dink Enger
Robert L. Larsen
James F. Zay Jr. |

DU PAGE COUNTY ELECTED OFFICIALS

- Robert Berlin, State's Attorney
 Fred Bucholz, Recorder
 Bob Grogan, Auditor
 Gwen Henry, Treasurer
 Chris Kachroubas, Clerk of the Circuit Court
 Gary A. King, County Clerk
 Darlene J. Ruscitti, Superintendent of Schools
 Peter A. Siekmann, Coroner
 John E. Zaruba, Sheriff

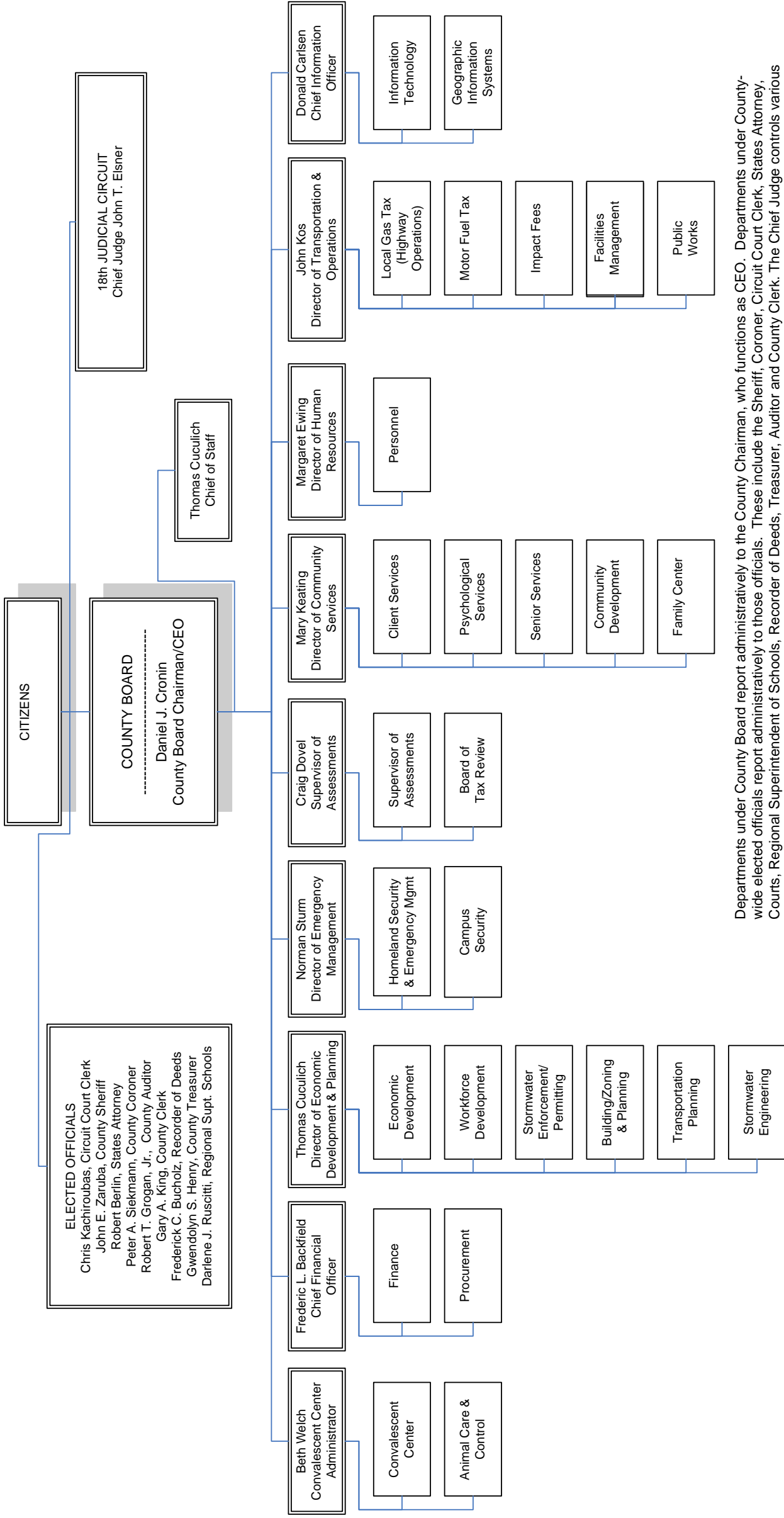


- Roads
- County Board District Boundary
- Private Parks
- Forest Preserves
- Federal Laboratories

Map Prepared by: **DuPage County IT Department GIS Division**
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 Voice: (630) 407-5000
 Website: www.dupageco.org/gis
 Date of Production: November 16, 2011
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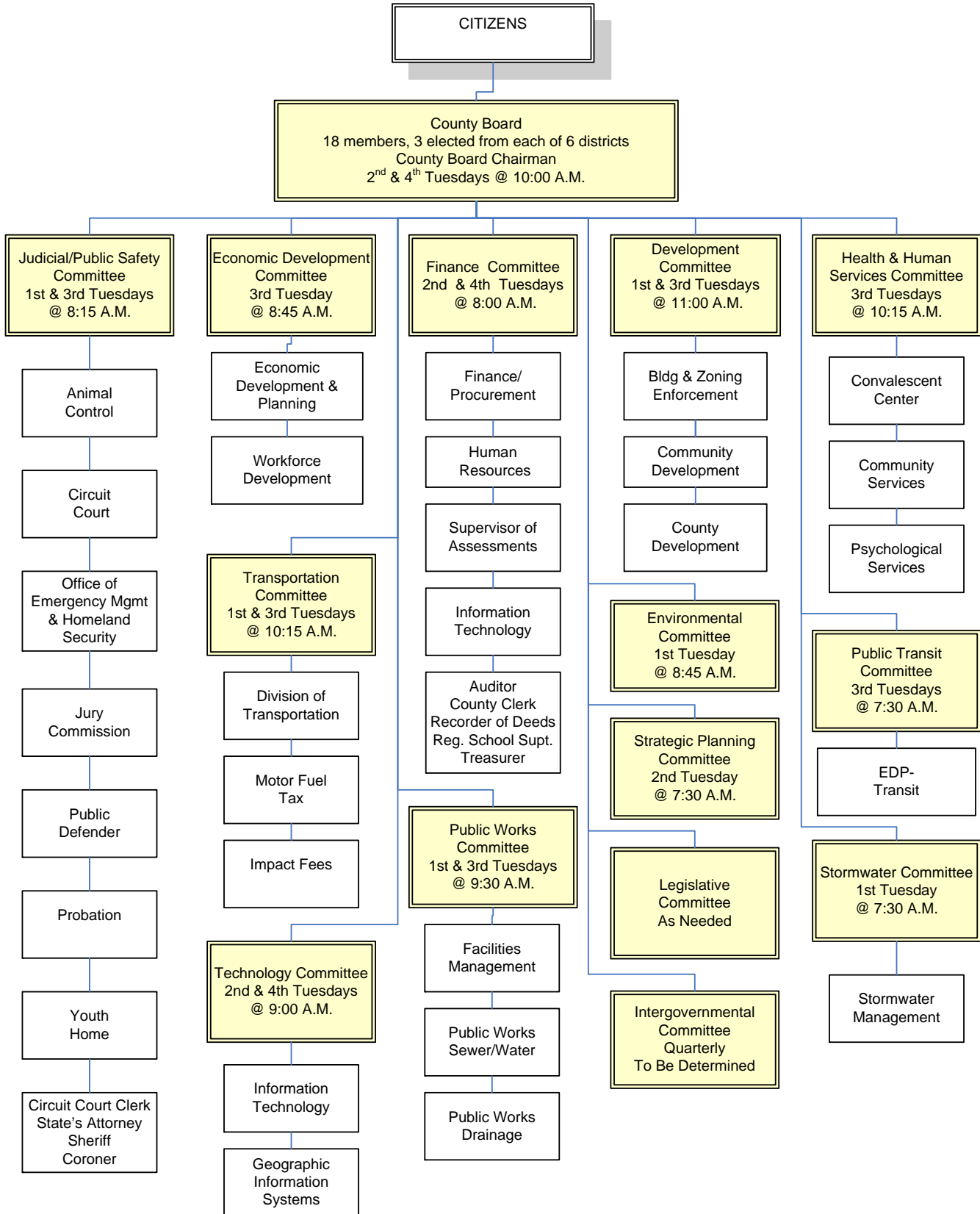
DuPage County, Illinois

Organizational Summary



Departments under County Board report administratively to the County Chairman, who functions as CEO. Departments under County-wide elected officials report administratively to those officials. These include the Sheriff, Coroner, Circuit Court Clerk, States Attorney, Courts, Regional Superintendent of Schools, Recorder of Deeds, Treasurer, Auditor and County Clerk. The Chief Judge controls various court services, probation and juvenile services including Court Administration, Jury Commission, Drug Court/MICAP, Public Defender and Probation.

County Board Committee Structure and Meeting Times



DuPage County Additional Committee Schedules

Here is a list of additional committees and/or boards that have their agendas posted on the County's website. Please visit www.dupageco.org to see dates & times as these committees do not have set schedules.

Ad-Hoc Campus Space Committee
Ad-Hoc Collective Bargaining Committee
Ad-Hoc Committee for Human Resources
Board of Health
Community Development Commission
CDC Executive Committee
Children's Center Sub-Committee
County Fair and Exposition
CSBG Advisory Board
DCACC Advisory Board
DuPage County Plat Committee
DuPage Social Service Association
DuPage Sperling Award Ad-Hoc Committee
Elder Abuse Fatality Review Team
Election Commission
Election Commission Finance Committee
Elgin O'Hare West Bypass Corridor
Emergency Telephone Systems Board
Environmental Commission
Ethics Commission
Finance Initiative Sub-Committee
HOME Advisory Group
Impact Fee Advisory Committee
Insurance Sub-Committee
Inter-Agency Paratransit Coordinating Council
Regional Planning Commission
Sheriff's Merit Commission
Trail Maintenance Task Force
Veteran's Assistance Commission Board
Zoning Board of Appeals

There are a number of boards and commissions which have members appointed by the DuPage County Board Chairman. They include, but are not limited to:

Board of Health
Community Development Commission
Community Development Executive Committee
Community Services Block Grant (CSBG)
Commuter Rail Board – Metra

DuPage County Additional Committee Schedules

Downers Grove Sanitary District
DuPage Airport Authority
DuPage Convention and Visitors Bureau
Election Commission
Environmental Commission
Ethics Commission
Fox Valley Park District
Hanover Park Fire Protection District
HOME Advisory Group
Impact Fee Advisory Committee
Lisle-Woodridge Fire Protection District
Northeastern Illinois Planning Commission
Regional Planning Commission
Regional Transportation Authority
Sheriff's Merit Commission
Strategic Planning Committee
Suburban Bus Board – Pace
West Chicago Fire Protection District
Wheaton Sanitary District
Workforce Investment Board
Zoning Board of Appeals

For a complete list of boards and commissions and information on how to be considered for appointment to one of these agencies, please visit <http://www.dupageco.org/CountyBoard/AppointiveBodies.aspx> .

Awards

GFOA Distinguished Budget Presentation Award

The Government Finance Officers Associations of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the **County of DuPage, Illinois** for its annual budget for the fiscal year beginning **December 1, 2011**. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device. This is the eighth consecutive year the County has been presented with this award. DuPage County is one of only five counties in Illinois to receive this award.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

Certificate of Achievement for Excellence in Financial Reporting

The Government Finance Officers Associations of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to DuPage County for its comprehensive annual financial report for the fiscal year ended November 30, 2011. This was the twenty-seventh consecutive year that the County has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is only valid for a period of one year. The County believes that the current comprehensive annual financial report continues to meet the Certificate of Achievement Programs' requirements and have submitted it to the GFOA to determine its eligibility for another certificate.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**County of DuPage
Illinois**

For the Fiscal Year Beginning

December 1, 2011

Christopher P. Morrell

President

Jeffrey R. Emer

Executive Director

Budgetary Control

The County's budget process is governed by Illinois Compiled Statutes and DuPage County Board Rules. Annual budget ordinances governing appropriations, property tax levies, and interfund transfers are passed by the County Board prior to the beginning of the new fiscal year. While the appropriation ordinance reflects departmental appropriations by category of expenditure, budgetary control is exercised at the detail object (account) level to insure that actual expenditures and outstanding encumbrances do not exceed available budget amounts. The County Board reviews and approves the budget's detailed line items. The detailed budget by object is available on the County's website at www.dupageco.org. Illinois Compiled Statutes require that any revisions (i.e., budget transfers, additional appropriations) to the original appropriations be adopted by a two-thirds majority of the County Board. The annual budget adopted and all appropriations made therein, terminates with the close of the fiscal year. However, any remaining balances are made available for approximately 30 days after the close of the fiscal year for the payment of obligations incurred prior to the close of the fiscal year.

Appropriations of governmental funds are encumbered upon the issuance of purchase orders, contracts, or other forms of legal commitments. Outstanding orders for goods and services that have not been received are accounted for as a committed fund balance for a specific purpose. The encumbrance system assures that any amount over existing commitments can only be paid with available unobligated funds in the corresponding line item. If this is not possible, a budget transfer must be processed or appropriation increased.

Timely financial information related to budget and cost control is provided to all department directors and elected officials by means of reports generated through the DuPage County Information Technology Department and posted daily, weekly, monthly and annually on the County's intranet. Reports include year-to-date encumbrances and expenditures compared to appropriations, by object of expenditures, the weekly payroll and payment detail reports. In conjunction with recommendations made by the County's ad-hoc Transparency Committee, quarterly General Fund presentations and other reports are now available on both the County Auditor's and Finance Department's websites.

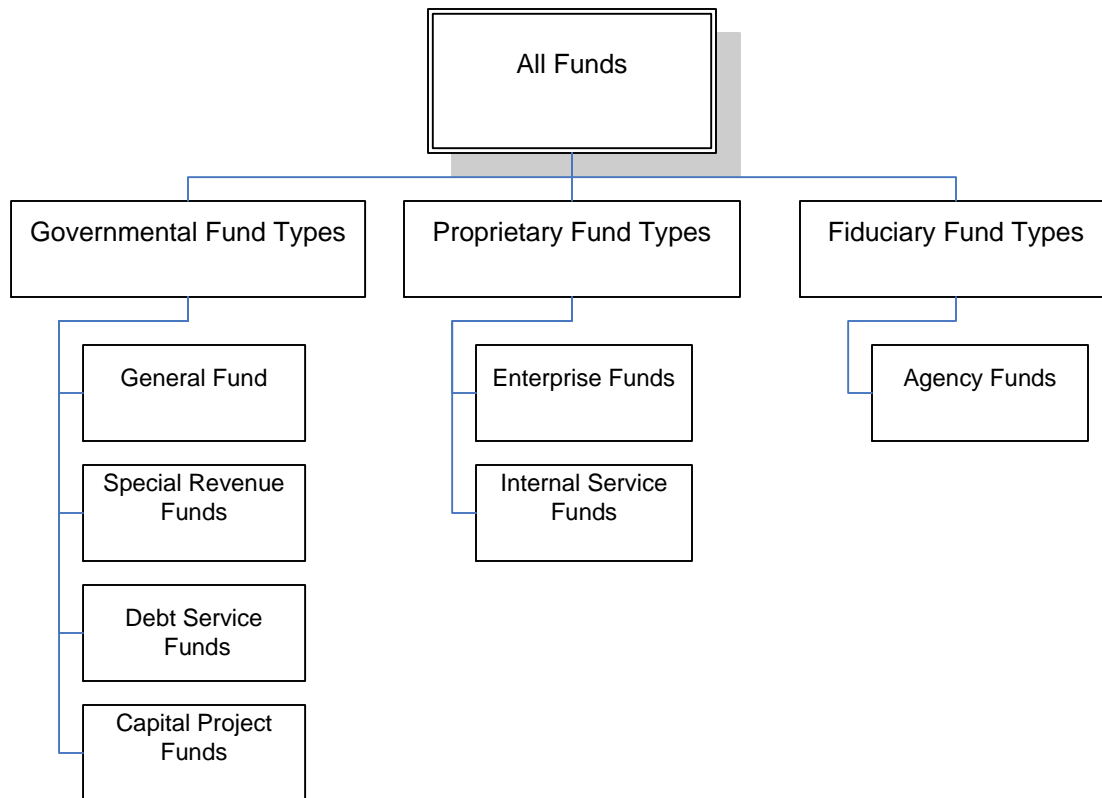
Budget Process & Calendar

In May 2012, the County Board approved the budget calendar for the FY2013 budget. The budget calendar is posted on the County's website, along with the creation of a special web page for the public to be able to track the budget process.

**DUPAGE COUNTY, ILLINOIS
FY 2013 PROPOSED GENERAL BUDGET CALENDAR**

May 22, 2012	Resolution adopting general budget calendar. Calendar to be published on Website, with copies available to the public.
May 22, 2012	County Board reviews and adopts Financial & Budget Policies; receives FY2013 budget instructions. FY2013 budget page and link created on website.
May 30, 2012	Budget Kick-off meeting with departments. Discuss budget instructions and parameters; distribute budget submission instructions, deadlines, etc. Place public survey online. (Survey closes June 29 th).
June 1 – June 29, 2012	Finance Dept to present FY2012 preliminary revenue and expenditure estimates, and 2013 initial outlook. Committees hold budget meetings, as appropriate, with Department Heads and County-wide Elected Officials, develop and approve budget recommendations to the County Board Chairman. Such meetings are open to the public for comment and input. Upon completion of appropriate committee review and approval, departments and Elected Officials submit their budget materials to the Finance Department. Deadline for completion of committee reviews and budget material submission is June 29.
June 29 – Sept. 11, 2012	Finance Department compiles and reviews department requests and other submission information; develops spending and revenue estimates, budget scenarios, and options for review. Additional input from committees may be included in budget review. The County Board Chairman's budget recommendation is developed and budget materials created.
Sept. 11, 2012	County Board Chairman presents his FY2013 budget to the County Board on Tuesday, September 11 th . Publish detailed calendar for remaining process including public hearing dates (TBD). Chairman's budget recommendation book distributed, published on Website.
Sept. 11 – Oct. 18, 2012	County Chairman and Finance Committee Chairman hold public hearings county-wide. Public hearings will present information on proposed operating budget and capital improvement plan. Parent Committees review budget recommendations (dates TBD).
Oct. 23, 2012	Finance Committee passes proposed final budget, including headcount and health insurance.
Oct. 24 – Nov. 20, 2012	Proposed final budget published and filed with County Clerk at least 15 days prior to passage. Truth in Taxation hearing, if required. Public hearings are held on proposed final budget.
Nov. 27, 2012	The County Board approves the annual budget. November 30 is end of current Fiscal Year.
Dec. 1, 2012	New Fiscal Year Begins.

DuPage County Fund Structure



Governmental Funds – Most of the County’s basic services are included in governmental funds. The General Fund is the main operating fund of the county and the largest of the governmental funds. Fund income is comprised of various sources for non-dedicated purposes. Other major governmental funds include the Health Department Fund, Local Gasoline Tax Fund, Convalescent Center Fund and the 2010 G.O. Alternate Revenue Bond Project Fund. Remaining governmental funds, which include special revenue funds, debt services funds and capital project funds, are considered non-major governmental funds.

Proprietary Funds – Proprietary funds consist of enterprise funds and internal services funds. These funds account for operations that are conducted in a manner similar to private business in which costs are charged as a user fee. The County’s Water and Sewerage System Fund is an enterprise fund. The internal service funds are used to account for the provision of general/auto liability, malpractice, and workers’ compensation insurance as well as health insurance for employees and retirees. For budgetary purposes, the employee medical insurance is included in the General Fund, the Water and Sewerage System and the Tort Liability funds are treated as Special Revenue Funds.

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. The County’s fiduciary funds consist of agency funds, which are used to account for monies received, held and disbursed, as required by statute. These funds are not appropriated and are not included in the County’s budget documents.

Public Hearings

Public hearings for the FY2013 Chairman's recommended budget were held September 25th at the Bloomingdale Village Hall and October 2nd at the Naperville Village Hall.

A public hearing/Quasi Committee of the Whole Meeting of the County Board was held on November 13th for discussion and/or recommendations to the 2013 budget and levy as proposed by the Finance Committee.

County Accounting Structure

The County's finances are identified by funds, depending on the nature and legal use of fund source, for both accounting and budgeting purposes. For both purposes, funds are segregated into three main fund types: governmental, proprietary and fiduciary. The chart on the previous page illustrates the County's fund structure.

Basis of Budgeting

The County's budget is developed on a cash basis, due primarily to income being recognized once received. The County recognizes transactions or events when related cash amounts are received or disbursed. However, estimated modified accrued expenses, as it impacts availability of resources for appropriations are taken into account in budget development. This is done by limiting appropriations to estimated cash revenues. Budget appropriations and interfund transfers are set to estimated fiscal year cash receipts. Final reconciliation of accrued expenses takes place in the spring, once the prior year is closed. The initial basis for reconciliation is the Treasurer's Trial Balance, which is cash based. The balance is then adjusted for accrued expenses and revenues. This information is used in development of the County's Comprehensive Annual Financial Report (CAFR).

Financial Policies

During Fiscal Year 2007, the DuPage County Board, in conjunction with the Finance Department, developed and approved financial policy guidelines. When developing the annual budget, every effort is made to conform to these guidelines. The policy document is included in the pages that follow. In accordance with guidelines, the financial policies are reviewed each spring.

Fund Descriptions

General Fund

The General Fund is DuPage County's chief operating fund. It is the primary funding source for elected officials and County support functions, covering basic governmental activities such as public safety, legal and judicial operations, community and human services, county administration, property assessment and tax collections. Approximately 68% of County staff is general funded.

The fund is funded primarily by general, unassigned revenue streams such as sales tax, income tax, various undesignated charges and fees and the General Fund portion of the property tax levy.

Special Revenue Funds Described

Special Revenue funded programs are restricted by dedicated purpose revenues. For instance motor fuel and gas taxes are generally restricted to transportation related purposes.

Budgeted Funds Only

County Infrastructure Fund – This fund is used to account for infrastructure projects for Transportation, Drainage and Facilities Management.

Stormwater Drainage - This fund is used to account for amounts levied under legislation passed to protect County residents from major flooding problems. Operations include the development and implementation of stormwater drainage programs.

Illinois Municipal Retirement (I.M.R.F.) - This fund is used to account for revenues restricted for payment of the County's share of the contribution to the Illinois Municipal Retirement Fund.

Tort Liability Insurance - This fund is used to account for revenues restricted for the payment of worker's compensation and liability insurance related items.

Social Security - This fund is used to account for revenues restricted for the payment of the County's portion of Social Security Costs.

Court Document Storage - This fund is used to account for the receipt and expenditure of a special fee instituted to help defray the cost of a document storage system and to connect the records of the Circuit Court Clerk to electronic micrographic storage.

Welfare Fraud Forfeiture - This fund is used to account for the receipt and expenditure of monies recovered by the State and distributed to the County, which are to be used solely in enforcement matters relating to the detection, investigation or prosecution of recipient fraud or vendor fraud.

Crime Laboratory - This fund is used to account for the collection of the crime laboratory analysis fee that is imposed on persons found guilty of certain criminal offenses, which necessitates submission of laboratory reports into evidence. The fee is collected by the Clerk of the Circuit Court and remitted to the Crime Laboratory Fund. Expenditures are for processing laboratory reports and general operations of the Sheriff's Crime Lab.

County Clerk Document Storage - This fund is used to account for a special fee generated from charges for certified copies of vital records. This fund is used to provide equipment, material and necessary expenses relating to the implementation and maintenance of a document storage system for the County Clerk.

Arrestee's Medical Cost - This fund is used to account for a fee assessed on criminal cases when a guilty verdict has been found. The fee is used to reimburse the County Sheriff for medical costs incurred on behalf of inmates housed in the County Jail.

Children's Waiting Room Fee - This fund was established to account for filing fees collected on civil cases to establish and operate a "Children's Waiting Room" pursuant to Ordinance OJU-001-98.

Detention Variance Fee - This fund is used to account for fees assessed due to a variance granted to owners to provide for site water runoff storage. The fee is used to enhance existing or construct new water runoff storage facilities.

GIS Recorder - This fund is used to account for the partial proceeds of a fee that can be used at the discretion of the County Recorder to defray the cost of implementing or maintaining the County's Geographic Information System.

GIS Data Processing - This fund is used to account for the partial proceeds of a fee to be used for the purchase of equipment and expenses incurred in implementing and maintaining a Geographic Information System.

Emergency Deployment Reimbursement Fund - This fund is used to account for expenditures related to deployment of emergency management personnel for various events requiring the DuPage County Office of

Homeland Security and Emergency Management's services. These expenditures will be reimbursed by various revenue sources which may include, but are not limited to, state, federal and local funding.

Sheriff Basic Correctional Officer Training Fund – This fund is used to account for expenditures and related reimbursement to the County for hosting the University of Illinois Basic Correctional Office (BCO) Training Courses. The County will be reimbursed by the University of Illinois on behalf of the Police Training Institute (PTI) and the State of Illinois for expenditures incurred for all work and services performed.

State's Attorney Records Automation Fund – This fund is used to account for revenues and expenditures for hardware, software, research and development costs and personnel related to establishing and maintaining an automated records system.

Economic Development and Planning - This fund is used to account for revenues and expenditures mainly pertaining to building and zoning operations to include costs associated with monitoring, inspection and enforcement of same as well as expenditures to protect and enhance the economic vitality and natural assets of the county.

County Cash Bond Account - This fund is used to account for performance bonds, required by the County, for stormwater and building purposes. These bond amounts are then held by the County until required work is completed. While the County appropriates this fund separately, this fund has been included with the General Fund for auditing purposes per GASB 54.

Neutral Site Custody Exchange - This fund is used to account for the receipt and expenditure of a special filing fee collected by the Clerk of the Circuit Court. These fees are used to operate a facility, which provides a neutral place for parents to exchange children for court ordered visitations.

Sheriff's Police Vehicle Fund – This fund is used to account for court supervision fees received for a court supervision disposition on a violation. These funds are used for acquisition or maintenance of police vehicles.

Recorder Rental Housing Support Program Fund – This fund is used to account for the revenue and related expenditures of a Rental Support Program state surcharge on the recordation of any real estate related documents collected by the Recorder of Deeds Office. These surcharges are used to pay costs related to the operations of the Rental Housing Support Program.

OEM Community Education & Volunteer Outreach Fund – This fund is used to account for revenue and related expenditures for the Office of Homeland Security and Emergency Management’s (OHSEM) annual Advanced Weather Seminar and the quarterly meetings of the DuPage County Emergency Management Coordinators. Revenues are also used to support, encourage and recognize the OHSEM volunteers.

Convalescent Center Foundation Funded Projects – This fund is used to account for revenues from the Convalescent Center Foundation and expenditures for Convalescent Center related projects or services.

Coroner Fee Fund – This fund is used to account for monies received from the State for sale of death certificates. Expenditures are for operational and capital associated with the Coroner’s Office. In 2010, statutory changes were made in addition to increasing certain fees for the Coroner’s Office that require the fees to be receipted in a fund separate from the General Fund of the County.

Circuit Clerk Operations and Administration – This fund is used to account for a portion of the court supervision fee to be used specifically for Circuit Clerk Office operations.

Circuit Court Clerk Electronic Citation Fund – This fund is used to account for the fees associated with electronic citation collections. These fees are to be used to perform the duties required to establish and maintain electronic citations.

Youth Home - This fund is used to account for the costs associated with the County’s Juvenile Detention Program which provides secure detention services for juveniles in Kane County’s regional detention facility.

Drug Court and Mental Illness Court Alternative Program (MICAP) – This fund is used to account for the fees imposed on defendants convicted or granted supervision in criminal cases and the related expenditures. These fees are used to fund the operations of a drug court and mental health court.

Convalescent Center - This fund is used to account for the financing, operations, administration and maintenance of the County’s Convalescent Center. Beginning in fiscal year 2011, the Convalescent Center is no longer treated as an enterprise fund, but rather a special revenue fund for both budgeting and financial reporting purposes.

Highway Motor Fuel Tax (Department of Transportation) - This fund is used to account for monies received from the State of Illinois for the

County's share of motor fuel taxes. These monies are used for road construction or repair.

Animal Control Act - This fund is used to account for fees collected and expended for the operations of the County's Animal Care and Control Department.

Law Library - This fund is used to account for fees collected and expended for maintaining and operating the County's Law Library.

Probation Services - This fund is used to account for the revenue and expenditure of court imposed fees on offenders sentenced to probation. Payment of the fee is a condition of such probation.

Tax Sale Automation - This fund is used by the Treasurer to account for a special fee assessed on the purchase of property sold for delinquent taxes. This fee is restricted for use to costs related to either the automation of property tax collections and/or delinquent property tax sales.

Recorder Document Storage - This fund is used to account for the collection and expenditure of a special recording fee used to fund the cost of automating the County Recorder's Office.

Court Automation - This fund is used by the Clerk of the Circuit Court to account for the collection and expenditure of a special court fee used to help finance the cost of automating the court system.

Environmental Related Public Works Projects - This fund is used to account for the expenditure of Solid Waste tipping fees on Environmental Related Public Works Projects, which were allowed in keeping with a statutory charge for the use of collection.

Local Gasoline Tax (Department of Transportation) - This fund is used to account for the receipt and expenditure of a local gasoline tax levied on a per gallon basis for gasoline sold in the County.

Township Project Reimbursement - This fund is used to account for expenditures related to township road projects completed by the County. The County is fully reimbursed for the cost of the project by the townships.

Wetland Mitigation - This fund is used to account for the monies received and expended, or set aside, to accommodate the mitigation of designated wetland property supplanted by development.

Enterprise Funds

An enterprise fund is established to account for activities that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges or where the governing body has decided that periodic determination of net income is appropriate for accountability purposes.

Public Works - Water and Sewerage System - This fund is used to account for a portion of the County's Public Works Department, which owns and operates sewage collection treatment facilities and water pumping and distribution systems located in certain areas of the County. The Fund is operated, financed and maintained in a manner similar to a private business enterprise.

Capital Project Funds Described

These funds are established to account for and report financial resources that are restricted or committed to fund capital projects, including the acquisition or construction of capital facilities or other capital assets. Only budgeted funds are shown here.

Bond Funded Capital Projects

2001 Stormwater Bond Project Fund - This fund was established to account for all resources received and used for the construction of stormwater projects.

2008 Water & Sewer Bond Project Fund – This fund was established to account for all resources received and used for the construction of water and sewer projects.

2010 G.O. Alternate Revenue Bond Project Fund – This fund was use to account for all resources received and used for transportation, County campus infrastructure and information technology improvements. Also referred to as the RZ (Recovery Zone) Bond Fund.

2011 Drainage Bond Project Fund – This fund was established to account for all resources received and used for the construction of drainage projects.

County Funded Capital Projects (funding source other than bonds)

Children's Center Facility Construction Fund – This fund was established to account for all resources and costs related to the construction of the Children's Center Facility.

Highway Impact Fees (Department of Transportation) - This fund is used to account for the revenue and expenditure of a special fee assessed by the County on new development within the County. This fee must be used to improve and/or expand the transportation infrastructure of the County.

 **Debt Service Funds Described**

These funds are established to account for financial resources to be used for the payment of principal, interest and agency fees on bonds issued by the County.

Special Service Area Bonds – Water System/Sanitary Sewer Projects - This fund is used to account for the accumulation of resources for, and the payment of, principal, interest and related costs for Special Service Area (SSA) Bonds used to finance water and sewer projects. These bonds are payable solely from a special service area tax on all taxable property within the boundaries of the SSA. Such taxes, although limited to property in the SSA, are unlimited as to rate and amount and such taxes are in addition to any other taxes levied against property within the SSA.

1993 G.O. Alternate Revenue Jail Project Bonds

This fund is used to account for the accumulation of pledged revenues, and the payment of principal, interest, and related costs associated with the 1993 G.O. Alternate Revenue Jail Project Bonds. These bonds are general obligation alternate revenue bonds and are paid for with pledge of sales taxes and any other lawfully available funds of the County. These bonds were issued to advance refund the 1991 General Obligation Alternate Revenue Jail Project Bonds.

1993 G.O. Alternate Revenue Source Stormwater Project Bonds

This fund is used to account for the accumulation of pledged revenues, and the payment of principal, interest, and related costs associated with the 1993 G.O. Alternate Revenue Stormwater Project Bonds. These bonds are general obligation alternate revenue bonds and are paid for with pledge of stormwater taxes, sales taxes, and any other lawfully available funds of the County. These bonds were issued to advance refund the 1991 General Obligation Alternate Revenue Stormwater Project Bonds.

2002 G.O. Alternate Revenue Jail Project Bonds

This fund is used to account for the accumulation of pledged revenues, and the payment of principal, interest, and related costs associated with the 2002 G.O. Alternate Revenue Jail Project Bonds. These bonds are general obligation alternate revenue bonds and are paid for with pledge of sales taxes and any other lawfully available funds of the County. These bonds were issued to advance refund a portion of the 1993 General Obligation Alternate Revenue Jail Project Bonds.

2002 G.O. Alternate Revenue Stormwater Project Bonds

This fund is used to account for the accumulation of pledged revenues, and the payment of principal, interest, and related costs associated with the 2002 G.O. Alternate Revenue Stormwater Project Bonds. These bonds are general obligation alternate revenue bonds and are paid for with pledge of stormwater taxes, sales taxes, and any other lawfully available funds of the County. These bonds were issued to advance refund a portion of the 1993 General Obligation Alternate Revenue Stormwater Project Bonds.

2005 G.O. Alternate Revenue Drainage Project Bonds

This fund is used to account for the accumulation of pledged revenues, and the payment of principal, interest, and related costs associated with the 2005 G.O. Alternate Revenue Drainage Project Bonds. These bonds are general obligation alternate revenue bonds and are paid for with pledge of sales taxes and any other lawfully available funds of the County. These bonds were issued to advance refund a portion of the 2001 General Obligation Alternate Revenue Drainage Project Bonds.

2005 Transportation Revenue Refunding Bonds

This fund is used to account for the accumulation of pledged revenues, and the payment of principal, interest, and related costs associated with the 2005 Transportation Revenue Refunding Bonds. These bonds are revenue bonds and are paid for with pledge of Motor Fuel Taxes from the State of Illinois. These bonds were issued to refund a portion of the 2001 Motor Fuel Tax Revenue Bonds.

2006 G.O. Alternate Revenue Stormwater Project Bonds

This fund is used to account for the accumulation of pledged revenues, and the payment of principal, interest, and related costs associated with the 2006 G.O. Alternate Revenue Stormwater Project Bonds. These bonds are general obligation alternate revenue bonds and are paid for with pledge of Stormwater taxes and any other lawfully available funds of the County. These bonds were issued to advance refund a portion of the 2001 General Obligation Alternate Revenue Stormwater Project Bonds.

2006 G.O. Limited Tax Courthouse Project Bonds

This fund is used to account for the accumulation of real estate taxes, and the payment of principal, interest, and related costs associated with the 2006 Courthouse Project Bonds. These bonds are limited tax general obligation bonds and are paid for with ad valorem taxes levied against all taxable property in the County. These bonds were issued to advance refund all of the remaining 2001 G.O. Limited Tax Courthouse Project Bonds.

2008 Water & Sewer Project Bonds

This fund is used to account for the accumulation of revenues, and the payment of principal, interest and related costs associated with the 2008 Water & Sewer Project Bonds. These bonds are paid from revenues held or collected from ownership and operation of the water and sewage system. These revenues are periodically transferred to the debt service funds for annual debt service payments. This activity is accounted and budgeted for in the County's Public Works Department which is an enterprise fund of the County.

2010 G.O. Alternate Revenue Source Bonds

This fund is used to account for the accumulation of pledged revenues, and the payment of principal, interest, and related costs associated with the 2010 G.O. Alternate Revenue Series Project Bonds. These bonds are general obligation alternate revenue bonds and are paid for with pledge of sales taxes, and any other lawfully available funds of the County. This fund may also be referred to as RZ (Recovery Zone) debt service.

2011 G.O. Refunding Alternate Revenue Source Bonds

This fund is used to account for the accumulation of pledged revenues, and the payment of principal, interest and related costs associated with the 2011 G.O. Refunding Alternate Revenue Source Bonds. These bonds are general obligation alternate revenue source bonds and are paid for by a pledge of sales taxes and any other lawfully available funds of the County. These bonds were issued to currently refund the remaining portion of the 2001 G.O. Alternate Revenue Source Drainage Project Bonds.

2012 Water and Sewerage System Revenue Bonds

This fund is used to account for the accumulation of pledged revenues, and the payment of principal, interest and related costs associated with the 2012 Water and Sewerage System Revenue Bonds. The bonds are revenue bonds and are paid for by revenues held or collected from the County's water and sewage system. This activity is accounted and budgeted for in the County's Public Works Department which is an enterprise fund of the County.

R E S O L U T I O N

FI-0085E-07

ACCEPTANCE AND APPROVAL OF THE
DUPAGE COUNTY FINANCIAL AND BUDGET POLICIES

WHEREAS, the County Board is the fiscal authority for DuPage County government; and

WHEREAS, the County Board is responsible for the management of County funds and financial operations of the County; and

WHEREAS, the County Board finds the need to develop financial and budget policies to provide for prudent financial practices and to deliver essential county services at the lowest possible tax rate using a transparent budget process that maintains the County's bond rating; and

WHEREAS, the purpose and objectives of said financial and budget policies are, to the fullest extent practicable, to: earn and maintain the public's trust in the County's collection, use, and conservation of public funds; ensure the legal and appropriate use of County funds through a system of internal financial controls as enumerated herein; provide reasonable assurance that financial records are reliable in the preparation of financial statements and accounting for assets and obligations by abiding by generally accepted accounting principles as applied to governmental entities; and provide financial information in a clear and transparent manner; and

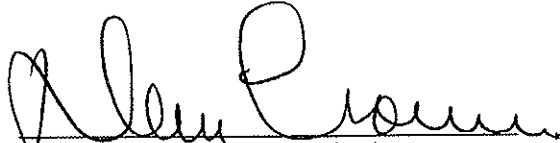
WHEREAS, the budgetary and financial framework for policy-making will strive to: prepare accurate and timely budgetary, financial, and socio-economic information for policy-making; identify and establish principles that minimize the County government's cost and financial risk; provide financial principles to guide financial and management decisions; and provide information regarding the County government's current financial condition.

NOW, THEREFORE, BE IT RESOLVED that the Financial and Budget Policies set forth in Exhibit A are adopted by the County as guidelines governing its financial practices; and

BE IT FURTHER RESOLVED, that these policies do not create any third-party rights; and

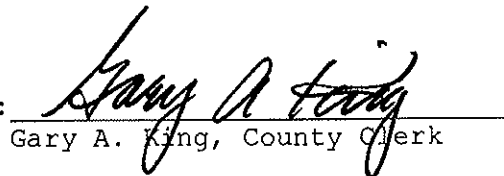
BE IT FURTHER RESOLVED, that the County Board intends to review and update these policies at least annually.

Enacted and approved this 22ND day of May, 2012, at Wheaton, Illinois.



Daniel J. Cronin, Chairman
DuPage County Board

ATTEST:



Gary A. King, County Clerk

Ayes: 17
Absent: 1

EXHIBIT A

I) Budget Development

A) GENERAL

- 1) The County's fiscal year runs from December 1 of a calendar year through November 30 of the following calendar year.
- 2) Although appropriations are annual by statute, the County may develop a budget framework that exceeds one year's duration.
- 3) The County shall prepare a budget consistent with the general policies and goals of the County.
- 4) The County shall conduct public hearings on the proposed budget for the upcoming fiscal year.
- 5) Each May, the County shall develop, adopt, and publish a budget calendar, including presentation of the Chairman's recommended budget, Finance Committee, and County Board Approval dates, and providing for applicable public hearings.

B) OPERATING BUDGET

- 1) The County's chief operating fund is the General Fund (sometimes referred to as the Corporate Fund).
- 2) The County shall develop the General Fund budget such that annual cash disbursements do not exceed receipted revenue.
- 3) With the exception of debt-funded projects, the County shall attempt to pay for current expenditures with current revenues.
- 4) The General Fund budget shall not be balanced by use of existing fund balance.
- 5) The County shall create and maintain a Strategic Reserve within the General Fund. The Strategic Reserve may be used only in the event of major emergency or economic distress to help stabilize County operations. A 2/3rds vote of the County Board shall be required to access the Strategic Reserve.

- 6) The year-end cash balance goal for the General Fund shall be at least 25% of total expenditures plus transfers out, in order to reasonably accommodate revenue and expenditure cash flows while providing a low point operating margin of approximately one-month's normal operations, in addition to strategic reserve amounts.
- 7) In conformity with the County's annual comprehensive financial statements, the cash balance date used in budget development shall be November 30. The County Board shall be provided with an estimated low point cash balance, and, once available, actual low point cash balance.
- 8) Special revenue operating funds shall seek to develop cash balances appropriate to their needs.
- 9) The County shall routinely examine the methods of providing services in order to reduce expenditures and/or enhance quality and scope of services with no increase in cost.
- 10) The County shall annually develop five-year expenditure and revenue projections for all major operating funds for inclusion in the annual budget document. Projections will include applicable operating costs of future capital improvements that are included in the capital improvement plan.
- 11) Projections shall also be made for funding impact of continuing grant programs (in place at time of budget development) that are due to sunset within the five-year projection period.

C) REVENUE

Taxation and Fees Policy

- 1) The County shall seek to minimize reliance on annual property tax increases, which are deemed to be taxes of last resort.
- 2) Per state statute, for property taxes under the Property Tax Extension Limitation Law (PTELL), aggregate property tax increases may not exceed the lesser of CPI or 5% applied to the prior year's extension.

- 3) For applicable property taxes, increases may not exceed specific rates for those taxes, as set in statute.
- 4) The County shall prefer user fees and charges to general taxes as a source of revenues.
- 5) The County, through its departments and elected officials, should periodically review fees and charges for cost of service coverage, as well as determination of applicability of new fees or charges.

Diversification

- 6) The County shall endeavor to create and maintain a diversified revenue stream for its operating fund, in order to minimize the impact of fluctuations in any one revenue source, helping to insure income stability.

Estimation

- 7) Revenues shall be estimated conservatively, using an objective, analytical process based on both historical trends and current information, adjusted by local conditions.
- 8) Current year revenue shall be continuously monitored and adjusted as necessitated by actual performance in order to provide the most accurate basis for budget and future year projections.
- 9) Revenue estimates for a given fiscal year shall be those revenues projected to be receipted during that fiscal year.

One Time Revenue

- 10) The County shall seek not to rely on one-time revenues, such as sales of assets, to fund ongoing expenditures.

D) EXPENDITURES AND OTHER DISBURSEMENTS

Appropriations and Reappropriations

- 1) Fiscal year appropriations are County Board authorized expenditure levels. Obligations to expend must be incurred within the same fiscal year. With the exception of reappropriations, goods and services must be provided within the same fiscal year.

- 2) Reappropriations are a reauthorization of all or a portion of a prior year appropriation. Only capital projects may be reappropriated, and the original project obligation must be incurred in the original year of appropriation.

Expenditures

- 3) Cash expenditures are all actual appropriated expenditures, regardless of the year appropriated, made within the 12 month fiscal year period.

Interfund Transfers

- 4) Interfund transfers must be approved by resolution.
- 5) Transfers shall be included when determining cash balances.

Capital

- 6) The County shall endeavor to provide for adequate maintenance and replacement of capital assets.
- 7) An item shall be considered a capital asset if its acquisition value is at least \$5,000 , and an estimated useful life in excess of one year, unless state statute or governing regulations require otherwise.
- 8) The County shall develop a five-year schedule of capital acquisitions, repairs and replacements.
- 9) Additional appropriation requests for capital projects over \$500,000 shall require a 5-year financial impact statement. The County will identify the estimated cost and potential funding sources for each capital project proposal before it is submitted to the County Board for approval. This will include determining the least costly financing method for all new projects.
- 10) The County will strive to maintain all its assets at a level adequate to protect the County's capital investment and to minimize future maintenance and replacement costs.

Pension

- 11) The County shall follow applicable state statute or federal requirements to insure adequate funding for all retirement systems, including but not limited to I.M.R.F. and Social Security.

Debt Service

- 12) The County shall insure adequate funding to service all debt issued per applicable ordinance and debt schedules.
- 13) Allocation of property taxes for purposes of debt service shall have priority over other uses of property taxes.

Contingency

- 14) The County will appropriate amounts for budgetary circumstances unforeseen at the time of budget passage.

Grants

- 15) Grants in effect as of December 1 shall be identified in the budget at the time of original budget passage.
- 16) Grants awarded after the beginning of the fiscal year shall be appropriated upon County Board approval.
- 17) Grant applications shall utilize the Grant Review process. All County Departments shall submit a form indicating their intent to apply for a non-recurring grant and will submit a grant acceptance form upon receipt of all grant awards. Forms will be reviewed and approved by the Grants Office and Finance Department.
 - a) Budgetary impact of grant expiration shall be considered in the approval of a grant by County Board. Where appropriate, grants requested for County Board approval shall contain sunset provisions for elimination of staffing or services upon expiration or non-renewal of the grant: where applicable, the Grant Review must identify whether continuation of all or some staff or all or some level of services is a condition of grant acceptance.
 - b) Grant reviews should clearly indicate operating and capital expenses for programs in all budget and multi-year budget estimates.
- 18) Grants from County General Funds to other local governmental entities and non-profits shall include an explicit statement that such funds are subject to appropriation and may not be awarded in the future.
- 19) No new or expanded state or federal grants shall be accepted that require use of County resources of any kind unless approved in accordance with Budget Requests and

Submissions Policies (Section D). Renewals of state or federal grants shall receive the closest possible scrutiny.

Intergovernmental or Private Source Funding

- 20) Program expenditures from any non-County funded sources (e.g. state grants, federal grants, intergovernmental agreements, etc.) shall be limited to the non-County funds provided unless a business case can be made that additional funding is in the best interest of the County or where there is an agreed County match requirement. In the latter instance, the plan for working with an adjusted amount of property tax revenue must be understood.

Compensation of Accruing Employee Benefits

- 21) The County shall calculate and compensate ("pay out") accrued or future accruing employee benefits from the County general Employee Benefits line item strictly in accordance with the Personnel Policies adopted by the County Board and pursuant to reported accrued benefits from County-wide elected officials. Any elected officials offering additional benefits and or related compensation beyond the standard policies and practices in the Personnel Policy manual or under-reporting of accrued benefits including, but not limited to, retention, sick, and/or vacation pay, are solely responsible for funding within their appropriation(s) the monetary difference resulting from the additional benefits.

E) BUDGET REQUESTS AND SUBMISSIONS

- 1) All departments of DuPage County, including those under County-wide elected officials, shall prepare budget submissions consistent with the budget policies adopted by the County Board.
 - a) A status quo budget shall be submitted based on current year levels of service.
 - b) New or expanded programs, including additional headcount, may be included in the budget request as a separate package.

- i) If funded by new sources of revenue or a commensurate reduction of existing operations. Departments are encouraged to explore this option for new or expanded program requests.
 - ii) If no funding source is identified, the program will be evaluated against Countywide priorities and funding availability.
 - iii) New or expanded programs require a five-year financial impact statement.
 - iv) Efforts shall be made to link new or expanded programs to the County's strategic goals.
 - v) Departments will submit performance measures that relate to new or expanded programs being requested within their budgets.
- c) County Board members may submit new or expanded programs for consideration. Departmental staff will be available to assist in writing the requests. Such requests shall be submitted to appropriate committees or to County Board for approval.
- i) New or expanded programs require a five-year financial impact statement.
 - ii) Efforts shall be made to link new or expanded programs shall be linked to the County's strategic goals.
- d) Vacant positions will be reviewed during budget development and throughout the fiscal year with regard to each position's importance to the department and any alternative to refilling the vacant position.
- e) Compensation will be considered separately from the departmental budget requests.
- f) Departments will submit a mission statement annually with their budget submission.
- g) Departments will submit annual short and long-term goals and objectives which are consistent with the department's mission statement and overall mission of the County.
- h) Departments will submit annual achievements that are relevant to the prior year's goals and objectives.

- i) Departments will submit activity measurements that relate to specific program areas within their budgets.
- j) Departments are encouraged to work with the Strategic Manager to develop performance measures consistent with the County's strategic goals and objectives.
- k) Departments will submit capital project/equipment (capital asset) requests within their budget requests. Each project/item is to be accompanied by a Capital Project/Purchase Request form which outlines project scope and five year cost estimates. Capital equipment (capital asset) is defined as items costing over \$5,000 unit value.
- l) Departments will submit budget reduction/addition scenarios as required that indicate changes in service due to reduced/increased funding availability.
- m) Departments should submit any additional information that will aid in management decision making regarding the department's budget.
- n) All departments shall prepare and submit pertinent annual revenue estimates.
- o) Each department shall provide information relating to legislative changes and economic conditions that may impact fees, charges, and other revenue sources.

2) Budget Document

- a) The budget document shall include, but not be limited to, general information such as:
 - i) A listing of County Board members and meeting schedules, a County Board district map, the County's organizational chart, and the fund descriptions/structure.
 - ii) The budget calendar and a description of the budget process.
 - iii) The County's Financial and Budget policies.
- b) The budget document will include, but not be limited to, an executive summary section which will provide information such as:

- i) Chairman's Transmittal Letter (budget overview)
 - ii) Appropriation summaries for all agencies and departments by category.
 - iii) Historical budgetary information.
 - iv) Five year outlooks for major operating funds.
 - v) Fund and department expenditure/budget history by government function and by fund.
 - vi) Charts and graphs to illustrate and support budgetary information.
 - vii) Budgeted headcount for current fiscal year and budgeted year, along with budgeted and actual headcount for two prior fiscal years.
- c) The budget document shall include, but not be limited to, financial summary information such as:
- i) A combined fund statement and statement of individual fund cash balances.
 - ii) Discussion of major revenue categories.
 - iii) Property tax levies and rates schedule.
 - iv) Revenue summary by classification for all funds, General Fund, special revenue funds, capital project funds and debt service funds.
 - v) Expenditure and appropriation information for General Fund, all special revenue funds, capital project funds and debt service funds.
 - vi) Detail listing of Interfund cash transfers.
- d) The budget document shall present individual departmental budgets for General Fund, special revenue funds and capital project funds including, but not limited to appropriations, mission statements, goals & accomplishments, staffing, activity measures and performance measures where applicable.
- e) The budget document shall include detailed information on capital improvements and projects whether funded by debt or operations.

- f) The budget document shall include debt service information including bond ratings, sources of payment and budgeting structure, a five year debt profile summary, outstanding debt by year, and debt service summaries by bond issue.
- g) The final budget document shall include the following additional information:
 - i) Copies of all ordinances and resolutions that pertain to budget passage by the County Board.
 - ii) The County's strategic goals and objectives.
 - iii) Special Service Areas summary information
 - iv) Descriptions, appropriation and revenue information for all federal, state or local grants in place as of December 1 of the budget year.
 - v) Appropriations, revenues and ordinances for the Health Department and Emergency Telephone Systems Board.
 - vi) County socio-economic statistics.
 - vii) A glossary of terms.

II) Financial Controls

- A) The County shall develop internal control policies to provide reasonable assurance that public accountability is achieved. The County will strive to maintain and continually improve a structure of internal controls that are designed to ensure reliable financial reporting, effective and efficient operations, and compliance with applicable laws and regulations. Safeguarding assets against theft and unauthorized use, acquisition, or disposal are basic tenets to the design of the internal control structure. The County will weigh the cost-benefits when looking to improve internal control procedures.
 - 1) The County Auditor will maintain a list of individuals authorized by the County Board Chairman or other elected officials as applicable for budgetary expenditures.

- E) The County will maintain financial and budgetary control systems to ensure adherence to the budget.
- C) The County shall maintain a Procurement Ordinance covering purchases of goods or services. The Procurement Ordinance must be at least as restrictive as applicable state statutes covering procurement.
- D) The County shall periodically review its Procurement Ordinance and related procedures and make revisions to improve the ordinance or to incorporate applicable statutory or local ordinance changes.
- E) The Procurement Ordinance shall make provision for purchase of goods and services in the event of a declared or deemed emergency.
- F) The County shall maintain an annual inventory of capital assets.
- G) The County Board deems it prudent that custody of bank accounts or investment accounts be placed with the County Treasurer. For exceptions;
 - 1) Departments under County Board jurisdiction are required to obtain County Board approval for establishment of and setting of minimum requirements for any bank or investment account placed outside of the County Treasurer.
 - 2) Elected Officials who choose to maintain bank or investment accounts outside of the County Treasurer are responsible to notify the Finance Department regarding the existence of said accounts in order to facilitate required financial reporting. The elected official is responsible for maintaining proper internal controls.

Proper Expenditures

- H) EXPENDITURES
 - 1) Expenditures shall be made in conformance with the County's Procurement Code.
 - 2) Sufficient unobligated line item authority shall exist prior to obligation to procure or purchase a good or service.

- 3) The County shall follow the Local Government Prompt Payment Act regarding the timely payment of claims.

Transfers

- 4) Per Illinois State Statute, budgetary transfers from one category appropriation of any one fund to another category appropriation of the same fund, not affecting the total amount appropriated, may be made at any meeting of the board by a two-thirds vote of all members.
- 5) Per County resolution, budgetary transfers exceeding \$10,000 from one line item appropriation of any one fund to another line item appropriation of the same fund, not affecting the total amount appropriated, may be made at any meeting of the board by a two-thirds vote of all members.
- 6) The Finance Department shall review to ensure need and adequate funding availability prior to County Board or County Board Chairman approval. In the event adequate funding is not available the transfer shall be returned to the originating department for revision.
- 7) Interfund transfers of monies must be made in accordance with approved resolutions.

Additional Appropriations

- 8) Per Illinois State Statute, appropriations in excess of the original adopted budget may be made to meet an immediate emergency, by a two-thirds vote of the board.
- 9) The County shall seek to minimize use of emergency appropriation authority by utilizing budget transfers wherever feasible.
- 10) When budget transfers are insufficient, departments or agencies seeking additional appropriation authority shall work with the Finance Department to first determine availability of other funding sources to meet need.

I) MONITORING

- 1) The Chairman of the County Board shall advise the County Board on the financial condition of the County and its future financial needs no less than quarterly.

- 2) The Finance Department shall prepare quarterly reports comparing actual revenues and expenditures to budgeted amounts.
- 3) The Finance Department shall prepare quarterly reports of budget transfers approved by the County Board.

Spending Against Appropriations

- 4) The Finance Department will compile information on a daily and/or monthly basis comparing actual expenditures to the current budget by line item via the County's intranet.

Cash Flow Performance Reporting

- 5) The Finance Department shall prepare a cash flow report comparing actual expenditures, revenues, and cash balances for the report period against projections for that period no less than quarterly.

Other Reports

- 6) The Procurement Division of Finance shall present to the Finance Committee annually, a report that lists all current multi-year contracts and contracts with renewal options.
- 7) The Personnel Department shall annually provide the Finance Committee, after closing of the preceding fiscal year, a report listing, but not limited to, regular salaries, overtime, beeper pay, compensatory time, bonuses, severance pay, holiday pay, per diem, vacation, sick and retention payouts for each department.

J) MEET OR EXCEED GENERALLY ACCEPTED ACCOUNTING PRINCIPLES

- 1) The County follows generally accepted accounting principles (GAAP) as applied to state and local governments.
- 2) The approved annual budget document (Financial Plan) shall endeavor to satisfy all mandatory criteria established by the Government Finance Officers Association.
- 3) An annual audit shall be conducted by independent certified public accountants and submitted by the Chief Financial Officer.

- 4) The annual audit report shall meet generally accepted accounting principles as set by standards established by the Governmental Accounting Standards Board (GASB).
- 5) All departments of DuPage County, including those under County-wide elected officials, shall make written responses to findings in the external auditor's Report on Internal Controls (formerly Management Letter) that pertain to them. If applicable, said responses and/or corrective actions, shall be forwarded to the Finance Department within 60 days of receipt of the finding from the external auditor, for inclusion in the Report on Internal Controls. This report will be forwarded to the Finance Committee.

K) COMPLIANCE WITH FEDERAL AUDIT REQUIREMENTS

- 1) An independent certified public accountant shall perform a single audit in accordance with federal audit requirements.

III) Debt

A) MAINTENANCE OF CREDIT RATING

- 1) The County shall operate its finances in a manner to maintain its "Triple A" (AAA/Aaa) credit rating.
- 2) The County shall meet at least annually with rating agencies concerning its fiscal plans and regarding its rating. The County will continue to maintain good communications with bond rating agencies about its financial condition.

B) USES OF NEW MONEY DEBT

- 1) Long-term, non-conduit debt shall generally be issued only for infrastructure, infrastructure improvements, or long-life major capital equipment.
- 2) The County shall issue debt for capital purposes only if project costs cannot reasonably be borne through normal operations. A comparison between debt financing and pay-as-you go financing should be performed when a new money debt issuance is considered, with the exception of Special Service Area or conduit bond issuance. Such comparison shall be included in supporting bond issuance documents.

- 3) The County shall have and maintain criteria for the issuance of conduit bonds.

C) PARAMETERS AND LIMITATIONS

- 1) The County's debt funded by ad valorem taxes shall not exceed 5.75% of assessed market value.
- 2) Debt should not extend beyond the debt-funded project's expected useful life.
- 3) In order to preserve financial stability and to facilitate cash flow, the County will attempt to maintain approximately equal total annual debt service payments, unless market or economic conditions make it advantageous to explore alternate debt service structures.
- 4) In order to minimize the property tax burden on its residents, the County will endeavor to keep its direct debt to taxable property value (market value) ratio low.

D) REFINANCING

- 1) Whenever feasible, the County shall seek to refinance or restructure debt in order to reduce debt service, produce cost savings, remove restrictive covenants or to increase project financial capacity. The County shall employ generally accepted industry criteria as guidelines on refinancing.

E) DISCLOSURE

- 1) The County will abide by all continuing disclosure requirements of financial and pertinent credit information relevant to the County's outstanding debt.
- 2) The County shall approve and disclose all costs of issuance, and all parties receiving a fee or payment of any kind, in advance of payment. These costs will be estimated in the authorizing bond ordinance/ resolution.
 - a) The authorizing bond ordinance shall contain language to maintain flexibility in a changing economic environment in the municipal bond market, as the County may need the ability to adjust the original estimated costs of issuance in order to sell the bonds in a manner at the best interest to the County.

- 3) Final costs of issuance shall be disclosed upon closure of the bond sale. A report comparing the estimated and final costs shall be issued to the Finance Committee.
- 4) The Bond Ordinance for a given issuance shall identify the underwriter, bond counsel, underwriter's counsel, and financial advisor.

IV) Risk Management

A) The County will actively develop and monitor internal policies in order to reduce exposure to liability arising from accident, employee actions, or actions of the general public involving County property or personnel in the performance of their duties.

B) Insurance

- 1) The County will actively review external insurance carriers for sufficient coverage at the lowest rates.
- 2) When it is in the County's best interest, the County shall be self-insured at reasonable and prudent levels for general liability, automotive liability, workers' compensation, and employee health insurance.
- 3) When it is in the County's best interest, the County shall carry excess insurance for major liability classifications at levels deemed reasonable and prudent for counties of comparable size.

V) Investment Management

A) INVESTMENT OFFICER

- 1) The County Treasurer is the County's investment officer for most funds.
- 2) The Treasurer shall invest funds in conformity with governing Illinois statutes.
- 3) The primary objective of the Treasurer's investment program is safety of principal.
- 4) The County shall meet federal investment and arbitrage requirements regarding tax-exempt debt financing.

B) FINANCIAL INSTITUTIONS

- 1) The County Board shall approve the financial institutions in which the Treasurer may deposit funds.
- 2) The County Board shall seek to deposit funds with financial institutions having a local presence to the maximum extent feasible.