



LAKE COUNTY FOREST PRESERVES
www.LCFPD.org

Preservation, Restoration, Education and Recreation

DATE: April 5, 2018
MEMO TO: S. Michael Rummel, Chair
Finance Committee
FROM: Steve Neaman
Director of Finance

Agenda Item# 9.1

RECOMMENDATION: Recommend approval of a Resolution amending the Annual Budget Policies and Annual Strategic Action Plan for the 18 month fiscal year ending December 31, 2019.

STRATEGIC DIRECTION SUPPORTED: Organizational Sustainability

FINANCIAL DATA: None.

BACKGROUND: In February of 2017 the Board adopted the Fundraising Authorization Policy, which outlines who has the authority to request grants and donations based upon the level of the District's financial match and operational impact. This policy states that, before the District accepts any funds, the Director of Finance will determine if a budget amendment is required.

Based on best financial practices, staff recommends that any grant or donation of \$10,000 or more should require an amendment to the annual budget which accounts for the receipt and expenditures of these funds. Currently the only mechanism to make such an amendment is to bring an ordinance through the Finance Committee, which can then recommend approval of the ordinance by the Full Board of Commissioners. Based on the recent success staff and the Development Division have had in securing grants and donations, such ordinances would most likely be on the agenda every month. Also, it seems redundant to be asking for approval of such an amendment if the approval to request the funds initially was already approved through authorization granted by the Board through the Fundraising Authorization Policy.

In order to simplify the process in which these budget amendments can be made, and to insure entities that approve grants and donations that the District has the authority and flexibility to accept the funds that it requests, staff recommends an amendment to the Annual Budget Policies and Strategic Plan that the Board approved in February 2018. This amendment will give the Executive Director the authority to amend the annual budget to account for the receipt and expenditure of grant and donation funds, provided that the request for the funds complied with the Fundraising Authorization Policy. Any expenditure of new funds must comply with the applicable provisions of the District's purchasing requirements.

REVIEW BY OTHERS: Executive Director, Chief Operations Officer, Chief Development Officer, Corporate Counsel.

STATE OF ILLINOIS)
) SS
COUNTY OF LAKE)

**BOARD OF COMMISSIONERS
LAKE COUNTY FOREST PRESERVE DISTRICT
REGULAR APRIL MEETING
APRIL 10, 2018**

MADAM PRESIDENT AND MEMBERS OF THE BOARD OF COMMISSIONERS:

Your **FINANCE COMMITTEE** presents herewith "A Resolution Approving Amended Annual Budget Policies and Annual Strategic Action Plan for Fiscal Year Ending December 31, 2019" and requests its approval.

FINANCE COMMITTEE:

Date: 4/15/2018 Roll Call Vote: Ayes: _____ Nays: _____
 Voice Vote Majority Ayes; Nays: 0

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

**A RESOLUTION APPROVING AMENDED ANNUAL BUDGET POLICIES
AND ANNUAL STRATEGIC ACTION PLAN
FOR FISCAL YEAR ENDING DECEMBER 31, 2019**

WHEREAS, it is appropriate to initiate annual budget policies and an annual strategic action plan for the compilation and presentation of the annual District budget; and

WHEREAS, the development of budget policies assists District departments in the preparation of the annual District budget; and

WHEREAS, on February 13, 2018, the Lake County Forest Preserve District approved the " Annual Budget Policies and Annual Strategic Action Plan Fiscal Year 7/1/2018 – 12/31/2019"; and

WHEREAS, it is in the District's best interest to approve the "Amended Annual Budget Policies and Annual Strategic Action Plan Fiscal Year 7/1/2018 – 12/31/2019" attached to and made a part of this Resolution by this reference (the "Amended Policies and Plan");

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

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

Section 2. Approval of Amended Policies and Plan. The Amended Policies and Plan are hereby approved and adopted for use in preparation of the Fiscal Year 2018/19 budget.

Section 3. Effective Date. This Resolution shall be in full force and effect from and after its passage and approval in the manner provided by law.

PASSED this _____ day of _____, 2018

AYES:

NAYS:

APPROVED this _____ day of _____, 2018

Ann B. Maine, President
Lake County Forest Preserve District

ATTEST:

Julie Gragnani, Secretary
Lake County Forest Preserve District

Exhibit No. _____

FISCAL YEAR 7/1/2018 - 12/31/2019 BUDGET POLICIES AND STRATEGIC ACTION PLAN



LAKE COUNTY FOREST PRESERVE DISTRICT

**ADOPTED ANNUAL BUDGET POLICIES AND ANNUAL STRATEGIC ACTION PLAN
FISCAL YEAR 7/1/2018 - 12/31/2019 (ONE TIME 18 MONTH BUDGET)**

(JULY 1, 2018 – DECEMBER 31, 2019)

MISSION STATEMENTS

Lake County Forest Preserves

www.LCFPD.org



Preservation Restoration Education Recreation

To preserve a dynamic and unique system of natural and cultural resources, and to develop innovative educational, recreational, and cultural opportunities of regional value, while exercising environmental and fiscal responsibility.



Preservation Foundation
of the Lake County Forest Preserves

The Preservation Foundation was founded in 2007 as the charitable partner of the Forest Preserves. Its mission is to extend and accelerate the Lake County Forest Preserve's goals through private philanthropy to restore and preserve Lake County's natural and cultural resources in perpetuity.

FISCAL YEAR 7/1/2018 - 12/31/2019 BUDGET POLICIES:

1. Financial Policies (Page 2)
2. General Policies (Page 3)
3. Revenue Policies (Page 5)
4. Personnel Service Costs Policies (Page 6)
5. Reserve Fund Balance Policies (Page 7)
6. Capital Improvement Policies (Page 8)

FISCAL YEAR 7/1/2018 - 12/31/2019 STRATEGIC ACTION PLAN AREAS OF FOCUS:

1. Leadership (Page 9)
2. Organizational Sustainability(Page 10)
3. Conservation (Page 12)
4. Communication, Education and Outreach (Page 14)
5. Public Access and Connection (Page 15)

Fiscal Year 7/1/2018 - 12/31/19 Budget Policies:

1. FINANCIAL POLICIES

Objectives

- 1.1 *Preserve the strategic financial integrity, well-being and current AAA bond rating (Standard & Poor's and Moody's) of the District by maintaining an unrestricted general corporate fund balance as outlined in the Reserve Fund Balance policy.***
- 1.1.1 Continue to monitor the recovery of the equalized assessed valuation of Lake County property and its impact on the District's ability to maintain a balanced operating budget through continued emphasis on increasing efficiency, reducing costs, improving safety performance, reducing under-utilized infrastructure, gauging expansion against ability to maintain standards, and increasing non-tax revenues. Continue to monitor State legislative activities including a potential property tax freeze.
- 1.2 *Continue to maintain a high standard of accounting practices.***
- 1.2.1 Maintain records on a basis consistent with accepted standards for government accounting.
- 1.2.2 Implement new Governmental Accounting Standards Board pronouncements as they become effective.
- 1.2.3 Continue the practice of using interest earnings from Land Acquisition bond proceeds for costs related to land acquisitions and interest earnings from Development bond proceeds for costs related to improvement projects.
- 1.2.4 Designate fees received from easements and land sales for land acquisition, access purposes and infrastructure efficiencies.
- 1.2.5 Designate funds received for restoration or capital improvements to be used for that purpose.
- 1.3 *Continue to provide for adequate funding of all retirement systems.***
- 1.4 *Ensure adequate funding necessary to maintain preserves in a clean and safe manner.***
- 1.4.1 Land bank newly acquired preserves to minimize additional maintenance and public safety costs until additional property tax revenues or alternate funding sources are available.
- 1.4.2 Explore and execute efficiencies to reduce costs of maintenance and operations for existing preserves and facilities.
- 1.4.3 Invest capital funds on improving, replacing or removing aging and inefficient infrastructure.
- 1.4.4 Reduce total building square footage and maximize use of remaining buildings.
- 1.4.5 Ensure operational dollars are in place before moving forward with new development and restoration projects.
- 1.4.6 Establish endowment funds through the Preservation Foundation of the Lake County Forest Preserves to provide a permanent source of funding for trail and preserve maintenance, long-term management of restored areas, and annual operating needs

FISCAL YEAR 7/1/2018 - 12/31/2019 BUDGET POLICIES AND STRATEGIC ACTION PLAN

- 1.5 *Continue to look for and evaluate outsourcing opportunities for the most advantageous cost benefit for the District.*
- 1.6 *Evaluate staffing vacancies to make sure limited resources are allocated in a manner consistent with the District strategic plan.*
- 1.7 *Evaluate long-term financial planning.*
 - 1.7.1 Monitor the equalized assessed valuation (EAV) of Lake County property as a basis for the operating budget projections and 10-year rolling financial plan, taking into account any changes or trends identified through monitoring.
 - 1.7.2 Monitor and evaluate debt planning based on the EAV.
 - 1.7.3 Evaluate funding sources to address priority capital improvement projects in the 10-year capital improvement plan.
 - 1.7.4 Explore non-tax levy funding alternatives and review program and service fees to insure their compliance with the Board Adopted Fee Guidelines.
- 1.8 *In conjunction with the Development Division maintain accounting procedures and controls to properly record and accept grants from the Preservation Foundation and other funding sources including state, federal, and private grants.*

2. GENERAL POLICIES

2.1 *Budget Submittal Procedures:*

- 2.1.1 Program expansions or new programs that require additional funds may be considered in the FY 2018-19 budget if funded through a reallocation of existing funds or by securing new grants or other non-tax revenues, and continue such programs only as long as those reallocated or additional funds are available.
- 2.1.2 Department Directors will review each vacant position in their department during the budget development and throughout the fiscal year with regard to each position's importance to the District and possible alternatives to refilling the vacant position. Additional positions will be evaluated as needed.
- 2.1.3 Education, professional development, training and career growth is encouraged as a recognized benefit to the District and its employees. Specific training activities, workshops, schools and conferences shall be submitted as part of the budget review process. For Fiscal Year 2018-19, training requests should focus on those opportunities available online or offered locally to avoid transportation and lodging costs.
- 2.1.4 Requests for professional certifications, required licenses, and related training shall be submitted under a separate account entitled "Certifications and Education" as part of the budget review process. Online and locally available certification opportunities should be utilized before those requiring transportation or lodging costs.
- 2.1.5 Funds must be included in the appropriate line item for Equipment Replacement Charges, I.T. Replacement Charges, and Vehicle Replacement Charges. The annual charge for equipment is based on the current replacement cost and expected life cycle for the equipment.

FISCAL YEAR 7/1/2018 - 12/31/2019 BUDGET POLICIES AND STRATEGIC ACTION PLAN

- 2.1.6 Requests for capital equipment must be accompanied by justification. Capital equipment requests should be ranked in order of priority to indicate which requests are most important to Department operations. Requests for capital outlay should be limited to those items necessary for new facility operations, safety, maintaining current or implementing new service demands, productivity improvements, and cost-effectiveness, or those with revenue producing benefits.
- 2.1.7 Budget submissions should be consistent with the District Strategic Plan goals and objectives.
- 2.1.8 Submission schedule: The Budget Calendar for the budget process will be distributed by the Finance Department.
- 2.2 Expenditures will not exceed anticipated revenue. Adequate cash flow requirements will be maintained. Unrestricted fund balances for the General Corporate Fund, the Liability Insurance Fund, and the Land Development Fund may be used to balance the budget within each respective fund if necessary, after providing for cash flow requirements, and a fund balance as outlined in Section III Fund Balance Reserve.
- 2.3 Unrestricted fund balance in the General Corporate Fund, in excess of the fund balance policy, may be transferred to the IMRF Fund as needed for cash flow requirements, may pay annual debt service on the 2008C General Obligation Debt Certificates, fund Capital Improvement Plan projects (CIP with an emphasis on improving or replacing aging or inefficient infrastructure to reduce long-term operating costs and address deferred maintenance issues).
- 2.4 Unrestricted fund balances are maintained to avoid cash flow interruptions; generate interest income; reduce the need for short-term borrowing; assist in maintaining the District's current AAA Standard & Poor's and Moody's ratings for investment-grade bonds; provide for unanticipated expenditures or emergencies of a nonrecurring nature; and meet unexpected increases in service delivery costs.
- 2.5 In developing budget requests, each department should seek to improve productivity, organizational effectiveness and efficiency through cost avoidance methods, cost benefit analysis thorough evaluation and identification of activities that can be reduced, eliminated or consolidated and contracting for services where feasible and more cost-effective. In Fiscal Year 2018-19, additional consulting funds shall be included for use by the President and Executive Director to investigate and analyze organizational, operational or financial issues identified by Committees, the Board or for the implementation of the strategic plan.
- 2.6 Committee- or Commissioner-directed initiatives or requests resulting in (i) a significant impact on staff workload (defined as 10 hours of staff time for Committee requests or 2 hours for Commissioner requests), (ii) legal advice that will take more than a nominal period of attorney time (as determined by the Executive Director, except for legal advice arising from normal work of the Planning Committee), (iii) changes to the Capital Improvement Plan of the Forest Preserve, or (iv) an unplanned budgetary impact, shall require approval by the Finance Committee.
- 2.7 Transfers of appropriation among expense categories (Salaries, Commodities, Contractuals, and Capital) and funds must be approved by the Board. The Director of Finance is authorized to process an expenditure in a line item that exceeds the approved line item budget, provided that the amount is within the spending authority provided by the District Purchasing Policy Ordinance and will not cause the aggregate for that category of expense to exceed the appropriated amount.

FISCAL YEAR 7/1/2018 - 12/31/2019 BUDGET POLICIES AND STRATEGIC ACTION PLAN

- 2.8** The Executive Director, or his designee, is authorized to amend the budget to account for the receipt and expenditure of grant or donation funds received through an approved request as outlined in the Board approved Fundraising Authorization Policy; however, any actual expenditure must be approved in accordance with applicable law, including the applicable requirements of the District's purchasing policies and procedures.
- 2.98** The Capital Facilities Improvement Fund for future improvements to buildings and facilities will be funded through transfers from available balances in other funds. These funds shall be used to stabilize, replace, alter buildings, structures, and facilities, as well as to comply with the Americans with Disabilities Act (ADA) and other life safety regulations.
- 2.109** The allocation of all housing, cell towers, easements and agricultural license revenues to the General Fund or any Special Revenue Fund, will be reviewed annually during the budget review process.
- 2.110** Indirect costs of programs will be reflected on the program cost sheet and program fee recoveries will be evaluated against the Fee Guidelines.

3. REVENUE POLICIES

- 3.1** The Illinois Property Tax Extension Limitation Act (Tax Cap) limits the amount of property tax that can be levied. The District cannot exceed the previous year's tax extension by more than 5% or the Consumer Price Index for the prior year, whichever is less. Public Act 94-0976, effective June 30, 2006, provides that the only ceiling on a particular tax rate is the ceiling set by statute. Therefore, the aggregate tax rate for funds subject to the Limitation Law (General Corporate, Development Levy, IMRF, FICA, Insurance), will not be allowed to exceed the District's limiting rate computed in accordance with the provisions of the Limitation Law.
- 3.2** The District's primary dependence is on property tax revenues. The District recognizes that the Tax Cap limits the amount of property tax that can be levied. Accordingly, a comprehensive financial strategy is required for the District to continue sound administration, operations, maintenance, to stabilize or replace deteriorated buildings and structures, and to acquire, restore, and improve land. New sources of revenue need to be continually evaluated and recommended by Department Directors for Board consideration and action.
- 3.3** The Preservation Foundation raises charitable support from state, federal, and private sources to extend and accelerate Forest Preserve projects and programs. The Foundation is authorized to secure support for initiatives identified in the annual budget, 10-year Capital Improvement Plan, the unfunded Capital Improvement List or for new projects and programs according to the Fundraising Authorization Policy.
- 3.3.1** The Foundation's Annual Fund is comprised of unrestricted donations, which primarily provide a flexible source of revenue for priority projects of the Forest Preserves that would otherwise go unfunded.
- 3.3.2** The Foundation raises program-restricted support to advance habitat restoration, land protection, public access improvements, and educational and public programs according to the District's Strategic Plan.
- 3.3.3** The Foundation accepts gifts of land and other real property with the intention of selling the gift to support the Forest Preserves mission, in accordance with the donor's wishes.

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- 3.3.4 The Foundation establishes endowment funds to provide a permanent source of long-term revenue for the Forest Preserves.
- 3.3.5 Donors can provide for the Forest Preserves by making a provision for the Preservation Foundation in their estate plan.
- 3.4 Each department will review, evaluate, and submit non-tax revenue projections and programs. All such revenue shall be allocated across the various items appropriated by the Board as provided by law. No department has claim to any specific source of revenue, unless otherwise provided by law or Board. Confirmed grant funding will be included as projected revenue to be used for planned expenditures. Projected revenue from philanthropic support, including private, state, and federal grants, shall be reviewed by the Development Division.
- 3.5 The Enterprise Fund fee schedule shall reflect a minimum level of 100% financial self-support. Golf Course Operations are expected to generate funds to cover operating costs, renovation, restoration and improvement of the golf courses. Update the 10-year capital improvement plan for the golf course facilities which will reflect anticipated expenditures.
- 3.6 Designate funds received from the sale of museum collections for future acquisitions and/or care of the collections.
- 3.7 The District will seek new revenue sources to meet operating costs.

4. PERSONNEL SERVICE COSTS POLICIES

Personnel Service Costs shall be in accordance with Lake County Forest Preserve District Personnel Ordinances.

4.1 *Base Salary*

- 4.1.1 Salary increases have historically been given once a year on July 1. Individual increases are determined through the Performance Appraisal process. The budget shall provide funding for this purpose.
- 4.1.2 The annual increase for collective bargaining members shall be as provided by contracts for both the Construction and General Laborers Local Union 152 and the Illinois Fraternal Order of Police Labor Council.

4.2 *Performance Salary*

- 4.2.1 The Forest Preserve District maintains salary schedule ranges allowing its employees to progress through the salary range commensurate with their job performance, and is committed to the advancement of employees using merit principles. The Performance Appraisal serves as the basis to document and discuss performance, goals and compensation. Therefore, all regular full-time and regular part-time employees shall be eligible for performance salary adjustments and proficiency incentives.
- 4.2.2 There shall be an account for each department to be used for eligible employees, including department directors, based on the principles defined in the procedures for 2018 and 2019 Performance Appraisal.

FISCAL YEAR 7/1/2018 - 12/31/2019 BUDGET POLICIES AND STRATEGIC ACTION PLAN

- 4.3 The Position Inventory for all District personnel is current as of the date of the passage of this Resolution. Existing positions will be evaluated based on workload and the ability to fund the position. Requests for replacement, new or modified positions must be supported by a detailed justification including financial resources.

5. RESERVE FUND BALANCE POLICIES

- 5.1 The purpose of this policy is to establish guidelines in providing for an unrestricted reserve balance in the District General Corporate Fund, Liability Insurance Fund, Development Fund, and Enterprise Fund. The budget policy governing the fund balances has two types of reserves: (a) the emergency reserve and (b) the cash flow reserve. The emergency reserve is to protect the District from unusual fluctuations in revenues or expenditure needs. The cash flow reserve allows the District to make payments without short-term borrowing during the negative cash flow period experienced late in the fiscal year up to May, due mainly to property tax payments being received in June and September.

- 5.1.1 The General Fund is the primary operating fund for the District. The General Fund unrestricted fund balance shall be available for the above-referenced purposes and in the amounts described below:

- a. To provide for emergencies, 15% of the ensuing year's operating fund budget, exclusive of capital expenditures.
- b. To meet cash flow needs, 35% of the ensuing year's operating fund budget, exclusive of capital expenditures.

- 5.1.2 The Liability Insurance Fund unrestricted fund balance shall be available in the amounts described below:

- a. To provide for emergencies, \$1 million to \$1.5 million.

- 5.1.3 The Development Fund unrestricted fund balance shall be available in the amounts described below:

- a. To meet cash flow needs, 35% of the ensuing year's operating fund budget exclusive of capital expenditures.

- 5.1.4 The Enterprise Fund unrestricted fund balance shall be available in the amounts described below:

- a. To provide for emergencies, 5% of the ensuing year's operating fund budget exclusive of capital expenditures.
- b. To meet cash flow needs, 30% of the ensuing year's operating fund budget exclusive of capital expenditures.

- 5.1.5 The Retirement Fund unrestricted fund balance shall be available in the amounts described below:

- a. To provide for cash flow during the 18 month budget, \$900,000.

- 5.2 The Director of Finance, as part of the annual budget process, shall prepare an analysis of this policy. The analysis is to include the prior year actual status and project the status for the current year.

FISCAL YEAR 7/1/2018 - 12/31/2019 BUDGET POLICIES AND STRATEGIC ACTION PLAN

- 5.3 Deficiencies from the required amounts of this policy shall be addressed through the budget process. Deficiency is defined as having less than the minimum reserve policy requirements at fiscal year-end. Deficiency may also be defined as having a projection at budget time that indicates the reserve requirements will not be met at the current year-end.
- 5.4 Excess reserves under this policy are actual undesignated fund balance dollars available on the year-end financial statements.
- 5.5 The Director of Finance shall, as part of the annual audit and financial statement preparation process, monitor and ensure that the fund balance reserves are maintained as required by this policy.

6. CAPITAL IMPROVEMENT POLICIES

6.1 *As stated in the Rules of Order and Operational Procedures:*

“The Planning Committee shall be responsible for preparing areas of the District’s land and facilities for use by the general public and, to that end, shall prepare and review plans and uses, and be responsible for the implementation of plans and uses, for District land and facilities in the areas of construction, reconstruction, reconditioning, restoration and conservation. The Committee shall send any plan or use that would (i) have a significant impact on District land or other District plans or uses, or (ii) involve a new use of such land, to all standing committees so that they have an opportunity, within a 120-day time period to review the potential impacts of such plan or use. If the Committee votes to recommend the approval of such plan or use after such an opportunity to review has been provided, the plan or use shall be implemented only after it has been prioritized and funded as part of the District’s annual budget policies review, budget ordinance, and appropriation ordinance process.”

6.2 *Utilize criteria approved by the Board of Commissioners for prioritizing opening and development of new and existing forest preserves and facilities as included in the 10-year CIP and on the 10-year rolling financial plan. One or more of the following should apply:*

- Obligations to make improvements as part of a past grant
- Existing agreements in place (IGAs)
- Grants awarded to particular projects
- Part of planned transportation improvements
- Funding source through Preservation Foundation
- Part of the county regional trail system or connecting two regional trail systems
- ADA, code compliance, or safety issue
- Project is started and needs to be finished
- Opportunity for operational cost savings
- Long term maintenance and operation concerns addressed
- GIMS indicates strategic importance

6.3 *Maintain a prioritized 10-year Capital Improvement Plan (CIP) and a 10-year rolling financial plan.*

6.4 *The CIP will be reviewed again in January/February 2019 for possible adjustments by all standing committees. Any adjustments will be approved by the Board.*

Fiscal Year 7/1/18 – 12/31/19 Strategic Action Plan Areas of Focus:

Leadership

1. Land Management

- 1.1 The District will initiate and coordinate innovative projects that improve the resiliency and health of the land and waters of Lake County (landscape).
- 1.2 The District will demonstrate and promote best practices in resource management to encourage other public and private land owners to manage Lake County's landscape in an environmentally sustainable manner.
- 1.3 When appropriate, develop strategic partnerships that consider and protect the District's long term interests, improve the health of the landscape, and leverage philanthropic support through the Preservation Foundation.
- 1.4 The District will continually scan the horizon for adaptive changes and direction to improve the natural and developed landscape, to adapt to shifting economic, ecological and technological environment, and to promote its role as a local, regional and national model for best practices in improving and sustaining the resiliency of a healthy landscape.
- 1.5 The District will develop and promote programs and activities within the preserves designed to maximize the health and wellness benefits of the preserves through access to outdoor recreation and exposure to nature.

2. Operational Efficiency

- 2.1. The District will model fiscal responsibility, social equity and governmental transparency
- 2.2 The District will right size its building space and infrastructure.
- 2.3 The District will make data driven decisions.
- 2.4 The District will reduce its kilowatt-hours purchased to model sustainability through conservation, green practices, right sizing and energy efficiency initiatives.
- 2.5 The District will continue to improve on its safety culture.
- 2.6 The District will maintain professional training and required certification of staff with a focus on leadership, retention and succession planning.

3. Expand Non-Tax Resources

- 3.1 Provide opportunities that allow volunteers to contribute in a variety of meaningful ways by providing recruitment, training, management, communication and recognition.
- 3.2 Foster growth of the Preservation Foundation and other fundraising efforts in support of land acquisition, capital improvement and restoration projects. Continue to grow the endowment program, and other initiatives related to the District's mission,

FISCAL YEAR 7/1/2018 - 12/31/2019 BUDGET POLICIES AND STRATEGIC ACTION PLAN

3.3 Promote awareness of and giving to the Preservation Foundation Annual Fund, which primarily provides a source of flexible, immediate support to meet unfunded District needs.

4. *Coordinate annual Board-approved legislative program to advance state and federal policies supportive of the District's mission and goals.*

Organizational Sustainability

1. *Pursue Funding Enhancement and Leveraging.*

1.1 Continue to assertively pursue federal and state grants, donations through the Preservation Foundation and cooperative agreements through private public partnerships, local governments, open lands organizations and property owners for projects that are already identified as District needs.

2. *Prepare and implement master plans, restoration projects and capital improvement projects in an environmentally and fiscally responsible manner.*

2.1 Complete the Lakewood Master Plan process and begin implementation once approved. The plan will protect and enhance existing natural resources, minimize environmental impacts, provide and improve appropriate public access facilities and improve, replace, remove or eliminate infrastructure within the preserve, and improve the overall efficiency of the preserve, while addressing maintenance issues and associated costs as part of the masterplan.

2.2 Utilize a consistent process to provide accurate cost estimates for major projects included in the 10-year Capital Improvement Plan and 10-year rolling financial plan.

2.3 Analyze and minimize long-term operating, maintenance and management costs of proposed projects, existing sites, facilities and infrastructure.

2.4 Seek outside funding opportunities or other cooperative partnerships for planning, restoration and improvement projects that have been identified as District needs when benefits to the District exceed costs of coordinating such partnerships.

2.5 Make data driven decisions for the size of access improvements.

2.6 Begin a masterplan for all of the District's holdings to determine future land acquisitions, restoration and improvements.

2.7 Before opening new preserves, calculate annual maintenance and ecological management costs and establish a dedicated endowment through the Preservation Foundation to provide for some or all of these operating costs in perpetuity where applicable.

3. *Provide clean, safe, accessible and attractive facilities to support public education, cultural and outdoor recreation uses on applicable District land.*

3.1 Maintain and improve existing preserves, trails and facilities.

3.2 Complete repair and renovation projects to ensure public safety, extend the useful life of existing facilities and infrastructure, and reduce ongoing operating and maintenance costs.

FISCAL YEAR 7/1/2018 - 12/31/2019 BUDGET POLICIES AND STRATEGIC ACTION PLAN

- 3.3 Provide funding for annual repaving program for roads and parking lots, while closely analyzing the need and level of use before deciding to replace, reduce or remove existing paved roadways and parking lots.
- 3.4 Maintain repair and replacement program for all of the Districts infrastructure.
4. ***Maintain educational, historical and cultural facilities.***
 - 4.1 Complete the relocation of the Dunn collections at Prairie Stream to the designated storage facility at Pine Dunes.
5. ***Provide necessary support facilities.***
 - 5.1 Maintain high standards of cleanliness and safety at our increasing number of preserves and facilities for Lake County's population to use and enjoy, and properly restore and manage our natural areas and wildlife habitats, by providing efficient and effective work spaces and support facilities for District Commissioners and employees.
6. ***Prepare, maintain and execute facility assessment program.***
 - 6.1 Based on an analysis of District needs, evaluate facilities for potential reuse or removal, considering historical significance, appropriate third-party licenses, and fiscal and operational impact. If considering conversion of existing facilities to meet new uses, compare long-term costs and benefits of conversion to those of constructing new facilities designed specifically to meet those needs. Identify funding sources for renovation and ongoing operation and maintenance costs of any facilities to be retained.
 - 6.2 Based on analysis, evaluate long-term operating and maintenance costs when adding or expanding facilities. Evaluate and consider adding new facilities or expanding existing facilities when needed to reduce overcrowding, allow fuller use, or support new programs or services, and when funding is identified to cover ongoing operation and maintenance costs.
 - 6.3 Continue to assess barns and agricultural buildings to determine if they have historical significance and a fiscally responsible public benefit to restoring or preserving them. Continue to identify unneeded and underutilized structures for salvage and removal.
7. ***Identify sources of non-tax revenue such as, corporate sponsorships, grants, and donations through the Preservation Foundation and cost management strategies to offset costs of providing programs and services, and operating and maintaining facilities and equipment.***
8. ***Continue to assess the historical collections and related systems including objects, archives, and sites in an effort to further refine the focus of the collection on the significant natural and cultural history of Lake County.***
9. ***Deliver prompt, responsive, quality public safety services.***
 - 9.1 Provide funding to fence and mark boundaries of preserves where appropriate to protect sensitive natural habitats and to prevent property encroachments. Continue to use technologies, as well as on the ground inspection, to quickly identify and address property encroachment issues.
10. ***Continue to enhance non-tax revenues through marketing and promotion of District's golf courses and other revenue-generating facilities.***

FISCAL YEAR 7/1/2018 - 12/31/2019 BUDGET POLICIES AND STRATEGIC ACTION PLAN

11. *Design new or renovated facilities for future energy efficiency and environmental sustainability.*

- 11.1 Continue to do audits or assessments, including cost recovery analysis for District buildings to identify potential energy efficiency projects.
- 11.2 Propose energy efficiency projects, including those identified and prioritized through the completed energy efficiency assessment for the General Offices, for inclusion in the 10-Year Capital Improvement Plan.
- 11.3 Continue to follow Green Fleet Policy.
- 11.4 Implement components of a plan to reduce the District risk exposure and incident rate.

12. *Continue developing strategic partnerships that consider and protect the long-term interests of the District and improve overall health of the landscape.*

Conservation

1. *Protect Wildlife Habitat*

- 1.1 Focus restoration and preservation activities on sites that contain endangered, threatened and rare species, have been identified as Illinois Natural Areas Inventory sites, large complexes or on sites that contain high quality natural resources identified in the GIMS that will provide enhanced habitat for a variety of animals and plants.

2. *Preserve Land and Water Resources*

- 2.1 Continue to preserve Lake County's natural heritage by maintaining and enhancing the ecological integrity of the County's lands and waters that provide ecological services to the residents of Lake County

3. *Protect, Preserve and Restore Oak Ecosystems*

- 3.1 Implement the Chicago Wilderness Oak Ecosystem Recovery Plan by collaborating with the Morton Arboretum's Chicago Regional Tree Initiative and other partners.
- 3.2 Develop partnerships to remove European Buckthorn from Oak Ecosystems throughout Lake County.
- 3.3 Identify and prioritize potential preserves that would support a 1000-acre oak woodland ecosystem.
- 3.4 Continue to plant native trees and shrubs in both natural and day-use areas to restore the natural and urban forest canopy.
- 3.5 Continue commitment to the Southern Des Plaines Woodland Habitat Restoration Project.

4. *Expand Existing Preserves*

- 4.1 Protect our public investment by acquiring land and easements around existing Forest Preserves to serve as buffers from adverse impacts and minimize inholding boundaries when possible.

5. *Save New Large Preserves*

- 5.1 Identify and develop preservation options to protect large tracts of land appropriate for permanent protection.

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5.2 Develop partnerships to create four 10,000 acre complexes that which will result in providing large-scale habitats for woodland, grassland and wetland species.

6. *Protect Against Flooding*

6.1 Preserve land along streams, rivers, lakes and wetlands to give flood waters a place to go, to reduce flood damage and improve water quality.

6.2 Continue collaboration with Lake County Stormwater Management Commission watershed planning efforts and the Des Plaines and North Branch Watershed Workgroups to develop and implement resilient flood protection practices, improve water quality and supply, encourage the utilization of green infrastructure and implement place-based resolutions for flood impacts.

7. *Protect Forest Preserve Holdings*

7.1 Continue to analyze all District real estate holdings regarding existing property use restrictions such as conservation easements, deed restrictions or nature preserve dedications, and where appropriate, place restrictions on District property that is determined to be in need of additional protection.

8. *Restore and manage District lands to improve and maintain ecological health of natural habitats, enhance biodiversity, and protect threatened and endangered species.*

8.1. Develop measurable restoration and adaptive management goals for ecological complexes, strategic habitat conservation areas, enhancement areas, rare native communities, core preserves and other areas in and surrounding Forest Preserve holdings and establish metrics for assessment of progress towards those goals.

8.2. Restore and manage large, un-fragmented blocks of natural habitat, and manage greenways to provide connecting corridors between core preserves for native species and natural communities.

8.3. Continue to foster and expand a strong volunteer land stewardship program that engages the residents of Lake County in the restoration, management, and monitoring of the land and water resources in the county. Provide documentation of the value to the Forest Preserve on an annual basis.

8.4. Conserve and improve ecosystem services including, biodiversity, wildlife habitat, water quality, flood reduction, climate resiliency and other public benefits that Forest Preserves and other natural lands and waters in Lake County and the region provide.

8.5. Design and manage landscaping within public use areas to utilize native species and to provide buffer zones for natural habitat areas.

8.6. Remove invasive species and reintroduce native species in natural habitats. Increase efforts to prevent and manage plant diseases and invasive pests.

8.7. Evaluate proposed and existing habitat restoration projects to assess level of on-going land management work and funding required to properly maintain restored areas.

8.8. Continue native wildlife research and management, to make data driven decisions about wildlife habitat restoration efforts, to manage wild and domestic nuisance animal populations, and to guide efforts for the protection and re-introduction of endangered, threatened and rare animal population.

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8.9. Use farming as an interim land management tool to defer future operational costs until long-term uses for lands are approved by Board and funds are available for both initial restoration and long-term adaptive management of such lands.

8.10. Explore viable alternatives to row crop farming as an interim land management tool.

Communication, Education and Outreach

1. ***Operate educational, cultural, historical and outdoor recreation programs and services in an environmentally and fiscally responsible manner.***
 - 1.1 Conduct ongoing evaluation of public programs to ensure that the fee recovery/subsidy level complies with the guidelines adopted by the Finance Committee.
 - 1.2 Offer innovative accessible resource-based education programs, special events, exhibits and related services about Lake County's nature, history and culture.
2. ***Analyze public opinion research, participation trends, market demands and alternative providers, and use analysis to create, adjust and implement existing and new education, programs, facilities and services.***
 - 2.1 Assess the feasibility of expanding successful offerings and discontinuing less successful offerings.
 - 2.2 Evaluate current and potential education, activities to ensure that they relate to the mission and strategic plan of the District.
3. ***Improve public understanding of and support for the District's natural resource management efforts.***
 - 3.1 Evaluate existing programs, exhibits and information services about habitat restoration and related issues to ensure the District's ability to maintain them to acceptable standards.
 - 3.2 Continue support for adult and youth conservation stewardship activities.
 - 3.3 Continue public information regarding domestic and wildlife nuisance animal management efforts.
4. ***Enhance public safety visibility through public programs, publications and other forms of outreach.***
 - 4.1 Continue to promote visitor and community engagement in protecting District resources and to encourage voluntary compliance with District rules and regulations.
 - 4.2 Maintain strong cooperative relationships with other law enforcement, first responder, and emergency management agencies and groups in Lake County.
 - 4.3 Continue to vigorously patrol and inspect District boundaries in order to identify, remove and prevent property encroachments.
5. ***Establish and maintain positive public image for the District as a friendly, professional organization dedicated to preserving and restoring the county's natural and cultural resources, and to providing quality education and outdoor recreation opportunities.***
 - 5.1 Promote visitor and community engagement with the District using person-to-person, print and online methods. Analyze feedback and statistics from all communication methods to better understand how to engage the community in a way that will promote use and support.

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- 5.2 Provide public information about District's land acquisition goals and capital improvement needs and accomplishments.
 - 5.3 Educate the public on the financial challenges faced by the District, the facilities and services subsidized entirely by tax dollars, and how fees and charges for other facilities, programs and services help to recover part or all of the cost of those services and on how their contributions can help extend and accelerate the work of the District.
- 6. *Promote expanded public awareness and use of the District's education and outdoor recreation facilities and programs.***
- 6.1 Coordinate market research on public programs and special events, educational exhibits and public information preferences.
 - 6.2 Send targeted promotion to residents who have recently moved to or within Lake County.
 - 6.3 Maximize public information and cross-promotion opportunities at District facilities and events, and among current visitors and program participants.
 - 6.4 Utilize the District website and programming to grow the District email lists and continue to expand targeted email promotion, and use other new media technologies to improve marketing, advertising and promotional capabilities. Continue to analyze the mix of print, digital and person-to-person communication methods, to make the most effective use of each and to create a balance of messaging formats.
- 7. *Increase the number of Lake County schools that participate in an educational experience by 5%, to foster future generations of stewards, users and supporters.***
- 8. *Analyze a District membership program.***

Public Access and Connections

1. ***Provide opportunities for Lake County residents to participate in healthful, outdoor recreation activities in natural settings provided in our Forest Preserves.***
 - 1.1 Monitor existing uses and encourage and allow compatible public use in a manner that is safe for visitors and protects natural resources.
 - 1.2 Evaluate the accessibility of the focal points of the developed preserves.
2. ***Provide Trails, Greenways, Scenic Vistas, Open Spaces, River and Lake Access***
 - 2.1 Complete the construction of sections of the identified District regional trail system that are funded in the CIP and plan for additional future sections for when funding is available. Evaluate opportunities to include underserved and economically challenged areas of the county into the District's regional trail system.
 - 2.2 Provide public access to inland lakes, rivers and streams where applicable.
 - 2.3 Preserve, where appropriate, remaining undeveloped lakefront and riparian land.

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- 2.4 Continue to implement the planned network of regional trails and greenways.
 - 2.5 Water Trails – Continue to manage the Des Plaines River Water Trail by, clearing of logs and debris, maintaining canoe/kayak launches and actively supporting the volunteer Riverkeepers program.
 - 2.6 Trail Signs – Implement a District-wide trail sign system to enhance preserve visitors confidence in using trails.
 - 2.7 Maintain the District’s interactive trail map.
3. ***Analyze opportunities to open new preserves, trails and facilities.***
- 3.1 Analyze long-term operating and maintenance costs, cost savings, and identify corresponding additional non-tax revenues and/or expense reductions, when planning, adding, opening or expanding facilities.
 - 3.2 Provide initial public access to undeveloped sites when adequate operations and maintenance funding is identified and as approved in the 10-Year Capital Improvement Plan.
 - 3.3 Provide convenient and equitable public access throughout Lake County to basic Forest Preserve facilities, such as trails, shelters, fishing access and children’s play equipment.
4. ***Create New Open Space***
- 4.1 Where feasible, research and evaluate potential acquisitions in urbanized areas of the county that will create sanctuaries of fresh air, woodlands, and wildlife habitat.

1. **The following procedures apply to granting salary adjustments, based on performance:**
 - a. All performance adjustments shall be within the salary grade established for the position. Similar performance ratings shall receive similar percentage performance adjustments.
 - b. An employee eligible for an introductory increase during the fiscal year in accordance with District Personnel Policies, Section 5.2 shall receive it based on a performance appraisal. Any introductory adjustments made shall be allocated from the department’s personnel services budget and the amount shall not exceed that provided in the budget.
 - c. All performance adjustments shall be delivered as a base pay increase, except that base pay will not be increased beyond grade maximum. If the proposed performance increase raises the compensation for the employee above the maximum, the salary increase will be combined with the one-time cash payment so that the employee’s compensation is raised to the maximum for the range and the balance of the performance increase is paid as a one-time cash payment.
 - d. Performance appraisal adjustments shall become effective July 1 and be reflected in the following paycheck. One-time lump sum payments shall be reflected on the same paycheck.

2. **Full-time Employees and Regular Part-time Employees:**
 - a. Salary adjustments are based on performance and employees receiving them should be performing at a minimum of the “inconsistent” level or higher.
 - b. *Table I* summarizes this discussion and establishes the performance appraisal rating requirements in order to award an employee a merit increase. No increase may exceed 4.50%.
 - c. The total of all salary increases (base pay and cash payment combined) granted shall not exceed 3.0% of the Department’s non-union full-time and regular part-time Personnel Services Accounts on an accrued basis over 26 pay periods.

**TABLE I
PERFORMANCE APPRAISAL
ADJUSTMENT SCHEDULE**

Appraisal Rating	Within Salary Range	Maximum of Salary Range
	Base Pay Increase	Cash Payment
Does not meet expectations	None	None
Inconsistent	0 – 1%	None
Meets expectations	1.25 – 3.00%	Eligible for cash payment
Highly Competent	2.00 – 3.5%	Eligible for cash payment
Exceeds expectations	up to 4.50%	Eligible for cash payment
All performance adjustments shall be delivered as a base pay increase, except that base pay will not be increased beyond grade maximum. When salary ranges restrict advancement of base pay increase, the pay increase will be given as a one-time cash payment.		

FY 2017/18 Budget

DEPARTMENT	Full-Time Position Inventory	Part-Time Position Inventory	Full-Time Equivalent	FUNDING SOURCES						
				General	Audit	Insurance	Grant	Land Development	Land Preservation	Enterprise Fund
General District	3.5	0	3.5	3.4	0	0	0	0	0.1	0
Public Affairs and Development	11	1	11.5	11.5	0	0	0	0	0	0
Finance	9	0	9	8.1	0.9	0	0	0	0	0
Public Safety	21	28	28.49	28.49	0	0	0	0	0	0
Education	18.5	16	26.76	26.76	0	0	0	0	0	0
Operations and Infrastructure	57	73	73.94	45.63	0	0	5.42	22.89	0	0
Facilities	26	208	78.81	27.52	0	0	0	0	0	51.29
Planning and Land Preservation	9	2	9.89	0	0	0	0	8.19	1.7	0
Natural Resources	11	1	11.4	0	0	0	0	11.4	0	0
Administration	16	1	16.23	14.05	0	2.18	0	0	0	0
TOTAL	182.00	330.00	269.52	165.45	0.90	2.18	5.42	42.48	1.80	51.29

JANUARY 2018

- 29 Joint meeting of Finance Committee, Planning Committee and Operations Committee to review draft CIP and review Annual Budget Policies and Annual Strategic Action Plan.

FEBRUARY 2018

- 8 Finance Committee reviews and approves CIP and Annual Budget Policies and Annual Strategic Action Plan.
- 12 Department Directors submit completed MUNIS budget entries to Finance Department.
- 13 Board reviews and adopts Annual Budget Policies, Annual Strategic Action Plan and CIP.
- 16 Department Directors submit completed narratives and program forms to Finance Department.

MARCH 2018

- 16 Director of Finance submits preliminary budget information to Executive Director.
- 17-31 Review with Department Directors of submitted budgets.

APRIL 2018

- 9 Executive Director and Director of Finance review budget request with President and Finance Committee Chair.
- 17 Proposed budget distributed to Board and posted on website.
- 30 Joint meeting of Planning Committee, Operations Committee, and Finance Committee. The Executive Director and Directors present proposed budget and Appropriation Ordinance.

MAY 2018

- 8 Executive Director and Director of Finance present proposed budget and Annual Budget Ordinance to the Board for adoption.
Executive Director and Director of Finance present Appropriation Ordinance to the Board for adoption.
- 22 Last date to publish Appropriation Ordinance (within 10 business days).

JUNE 2018

- 4 Approval of proposed Fee Ordinance by Operations Committee.
- 7 Approval of proposed Fee Ordinance by Finance Committee.
- 30 Last day to adopt Annual Budget Ordinance pursuant to the District Rules of Order and Operational Procedure
Last date by which Appropriation Ordinance must be adopted pursuant to statute and LCFPD Rules of Order and Operational Procedures (last day of first quarter of fiscal year).
Last day for Board to estimate the amount necessary to be raised by taxation. Estimate is normally approved as part of the budget ordinance (not less than 20 days before adopting levy ordinance pursuant to Truth-In-Taxation Act).

Attachment 3

OCTOBER 2018

- 1 First day on which Tax Levy Ordinance may be adopted (first Monday in October).
- 4 Executive Director and Director of Finance present Tax Levy Ordinance and abatement for Build America Bonds rebate to President and Finance & Administrative Committee.
- 9 At regular Board Meeting hold public hearing on the Tax Levy Ordinance if estimate of taxes necessary to be raised by taxation exceeds 105% of last year's extension.

Executive Director and Director of Finance present Tax Levy Ordinance and abatement to the Board for adoption.

DECEMBER 2018

- 3 Last date to adopt Tax Levy Ordinance (first Monday in December).
- 25 Last day to file certified copy of Tax Levy Ordinance with Lake County Clerk (last Tuesday in December).