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|  Lake County Policy | 3.5.FY24 Fiscal Year 2024 Budget Planning Guidance Policy |
| | Approved by the County Board on: May 9, 2023 |

1. Purpose and Intent

- 1.1 The purpose of this policy is to provide specific planning guidance to County Staff for Fiscal Year 2024 Budget planning.
- 1.2 The intent of this policy is to support and build on the guidance in policy 3.5 *Budget Development Policy*.

2. Background

- 2.1 Policy 3.5 *Budget Development Policy* provides overarching, consistent guidelines and structure that support a strategic, long-term approach to financial management of Lake County's resources. While it provides a framework for stability and continuity, clarifying strategic intent, defining boundaries, and accounting for risks, the direction provided herein is to address specific issues for the upcoming fiscal year.

3. Scope

- 3.1 This policy applies to all departments, agencies / commissions, and elected offices whose funding is approved by the Lake County Board, unless certain criteria apply that supersedes this requirement as defined in 3.1 *Finance Policy*.

4. Authority

- 4.1 The Authority as stated in 3.1 *Finance Policy, Section 4 applies*.

5. Policy

- 5.1 Working within the standing guidance in 3.5 *Budget Development Policy*, the County Administrator and Chief Finance Officer shall provide a Recommended Fiscal Year 2024 Budget for Board consideration that includes the following requirements:
 - 5.1.1 A recommended budget that reflects the priorities identified in and is in alignment with the Strategic Plan that is being updated in 2023.
 - 5.1.2 A recommended budget that is balanced with a tax levy that includes growth from new property and one-half of allowable CPI growth. In addition, flexible scenarios will be presented that include the additional programming that a property tax levy of the full allowable CPI growth and new property growth would allow.
 - 5.1.3 A recommended budget that addresses the current higher cost of living. A minimum salary increase of 1.5% for all non-union employees as well as an additional budgeted 1.5% for each non-union employee employed before June 1, 2023 to fund performance-based increases and department position equity adjustments.

- 5.1.4 A focus on strategic review of personnel including the identification of the funding source of each approved position. The review will include the strategic elimination of internal or external operations or services that are delivered by other enterprise-wide departments or by other external parties, with a goal of efficiency and effectiveness without duplication. All vacant positions, if not eliminated pursuant to 3.5 Budget Development Policy, section 5.9.8, will be funded through a strategic funding model that reduces overfunding.
 - 5.1.5 A recommended budget that includes only New Program Requests that have an exact offset of either increased offsetting revenue or reduction of offsetting expense or those that are mandated because of local, state or federal regulations.
 - 5.1.6 In accordance with the County Board's commitment to sustainability and its approved net zero goals, departments shall provide options and alternatives in their budget submissions which advance energy and environmental stewardship (e.g., vehicle fleet, solar, wind, energy retrofits, etc.).
 - 5.1.7 A recommended budget that reflects the Board's commitment to infrastructure modernization by including an operating contribution to the capital improvements fund as close as possible to the maximum of the allowable range, to fund non-transportation capital improvements, including facilities, technology, stormwater improvements, etc.
 - 5.1.8 A recommended budget that includes non-transportation capital improvement contributions of any amounts available for reallocation resulting from the FY22 fiscal year, if any.
 - 5.1.9 ARPA projects and funding will be considered separately from the FY24 Budget.
 - 5.1.10 A recommended budget that includes departmental innovation for limiting budget growth and creating long-term fiscal sustainability. Departments must submit departmental budgets that are within or below the budget "targets" established for each departmental budget in a property tax operating fund.
 - 5.1.11 Priority in the recommended budget will be placed on mandatory, statutorily required programs and functions. Formal justification for the existence and funding level for any and all non-statutorily required programs and functions will be required in the departmental submission.
 - 5.1.12 A recommended budget that includes "normal" operations in each department's operating budget while consolidating contingency funding in the non-departmental General Operating Expense (GOE) budget.
 - 5.1.13 A recommended budget that includes funding for County requirements (specifically, internal audit, compensation study with funding for compensation study implementation, and a DEI program).
- 5.2 This policy is in effect through December 1, 2024.

6. Severability

6.1 If any section or provision of this policy should be held invalid by operation of law, none of the remainder shall be affected.

7. Non-Discrimination

7.1 Lake County prohibits the discriminatory application, implementation, or enforcement of any provision of this policy on the basis of race, color, sex, age, religion, disability, national origin, ancestry, sexual orientation, marital status, parental status, military discharge status, source of income, gender identity housing status, or any other protected category established by law, statute, or ordinance.

| Policy History | | | |
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| Version | Date Adopted | Legistar Item # | Notes |
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